United States
Department of
Agriculture

Federal Crop Insurance
Corporation

FCIC-18190 (06-2026)

GENERAL STANDARDS HANDBOOK

2027 AND SUCCEEDING CROP YEARS

UNITED STATES DEPARTMENT OF AGRICULTURE
FARM PRODUCTION AND CONSERVATION
RISK MANAGEMENT AGENCY

TITLE: 2027 GENERAL STANDARDS HANDBOOK	**NUMBER: FCIC-18190** **OPI: Product Administration and Standards Division**
EFFECTIVE DATE: 2027 and Succeeding Crop Years	**ISSUE DATE: June 29, 2026**
SUBJECT: **2027 General Standards Handbook**	**APPROVED:** ***/s/ John W. Underwood* for** **Deputy Administrator for Product Management**

REASON FOR ISSUANCE

This handbook provides the official FCIC-approved standards for policies administered by AIPs under the General Administrative Regulations, 7 CFR Part 400; Common Crop Insurance Policy, Basic Provisions, including the Catastrophic Risk Protection Endorsement; Area Risk Protection Insurance, Basic Provisions; Stacked Income Protection Plan; the Rainfall Index Plans; and the Whole-Farm Revenue Protection Pilot Policy for the 2027 and succeeding crop years.

This handbook replaces FCIC-18190 General Standards Handbook, dated November 26, 2025. Changes related to the automatic permission for spouses to sign are effective for all crops with a contract change date of April 30, 2026, or later and general changes are effective for all crops with a contract change date of June 30, 2026, or later. This directive will remain in effect until superseded or reissued. RMA will amend this directive to administer programs reinsured by FCIC under authority of the Federal Crop Insurance Act, 7 U.S.C. 1501 et. seq.

SUMMARY OF CHANGES

Listed below are the significant changes to the FCIC-18190 General Standards Handbook. All changes and additions are highlighted. Minor changes and corrections are not included in this listing. *** are used throughout the handbook to indicate where major deletions occurred.

REFERENCE	**DESCRIPTION OF CHANGE**
Automatic Permission for Spouses to Sign Changes	
Para. 251B & C	Added the ability for spouses named as SBIs to sign on behalf of the named insured without a POA.
Para. 854A	Added two exceptions to the POA or other legally sufficient document requirement related to the automatic permission for spouses to sign.
Para. 854B	Added in (4) the signature of spouses named as SBIs for the individual - married (spousal) and individual operating as a business person types to the acceptable signature types and included an example.
Para. 854C	Removed the requirement that a POA or legally sufficient document is required for the authorized spouse to sign on behalf of the named insured spouse.
Exhibit 4A	Changed the exhibit number to 4A. Updated the exhibit for the individual operating as a business and individual - married (spousal) person types related to the automatic permission for spouses to sign.

SUMMARY OF CHANGES (Continued)

REFERENCE	DESCRIPTION OF CHANGE
	General Changes
Throughout	▪ Replaced herein and thereof with plain language. ▪ Removed references to FADs if the reference implied general applicability. ▪ Removed references to 7 CFR 402, 407, and 457. ▪ Updated "by the" to "on or before the" to provide clarity for date requirements.
Para. 1D	Moved the general administrative regulations up in the order of precedence for the regulatory and procedural conflict.
Part 2, Section 4	Reorganized content, added subparagraphs, and levels of delineation to applicable person types related to Application, Identification Number, SBI Reporting, Signature, etc. to provide consistency and clarity.
Para. 253 & 254	Adjusted statement in Application language to clarify that if the entire share of the partnership or joint venture is not to be insured, the member's share of the partnership or joint venture interest may be insured under their individual policy.
Para. 254 & 256	Changed the references in the continuity of policy subparagraphs to point to a paragraph in Part 2, Section 3 rather than Para. 833.
Para. 257	Included language from Exhibit 4A related to signature requirements for Estates.
Para. 303	Removed the CY 2026 only exception in 303A and 303D related to submitting a BFR or VFR Application.
Para. 455	Updated link to FSA service center locator.
Part 6	Updated Part 6 to align with changes to 7 CFR part 400 subpart X and changes to Mediation, Arbitration, Appeal, Reconsideration, and Administrative and Judicial Review section in the BP.
Para. 802	Added Turfgrass to the list of CPs that have more than one insurable crop.
Para. 832	Removed the word "Note" from paragraph.
Para. 833	Added RSD contact information for AIPs regarding consent to cancel.
Para. 852	Added a note to specify that a person cannot be both a signatory and a witness to an Assignment of Indemnity.
Para. 854B	▪ Changed the signature type for (1) from the required person to the named insured. ▪ Added an e.g., in (3) to illustrate the authorized representative granted by legally sufficient document. ▪ Added in (5) the signature of the authorized signer granted authority by the non-substantive signatory statement to the acceptable signature types.
Para. 854C	▪ Changed the Exception to a Note and differentiated between when an Application does and does not represent an original agreement between two parties. ▪ Adjusted terminology in the examples to refer to the correct person as an authorized signer.
Para. 854D	▪ Added additional levels of delineation to the procedure to improve clarity, and added a reference to the new Exhibit 4B. ▪ Changed required person to named insured or its authorized representative
Exh. 1	Added acronyms: AAA, and DY.

SUMMARY OF CHANGES (Continued)

REFERENCE	DESCRIPTION OF CHANGE
	General Changes (Continued)
Exhibit 2	▪ Updated definitions to align with Basic Provisions: Actual Yield, Actuarial Documents, Administrative Fee, Annual Yield, Application, Appraised Production, Area - CCIP, Assignment of Indemnity, Average Yield, Basic Unit, Beginning Farmer or Rancher, Catastrophic Risk Protection-ARPI, Catastrophic Risk Protection Endorsement, Claim for Indemnity, Continuous Production Reports, County-ARPI, County-CCIP, Coverage (Guarantee), Crop Provisions, Damage, Disinterested Third Party, Earliest Planting Date, Enterprise Unit, Expected County Yield, Farm Service Agency, Final Policy Protection, FSA Farm Number, Good Farming Practices, Insurable Acres, Insured's Production Reporting Date, Late Planting Period, Liability, Limited Resource Farmer, New Producer, Person, Policy, Premium Billing Date, Production Report, Replanted Crop-CCIP, Sales Closing Date, Second Crop, Section, Special Provisions, Termination Date, Unavoidable Uninsured Fire, Verifiable Record, Whole-Farm Unit, Written Agreement. ▪ Added definitions - Actual Production, Added Insurable Acreage (Category C Crops), APH Plan of Insurance, Authorized Signer, FCIC Reinsured Policy, and Replanted Crop-ARPI. ▪ Changed definition - Category B Crops, Category C Crops, Category D Crops, and Category G Crops. ▪ Removed definitions - FCIC Interpretation, Final Agency Determination, and Replanted Crop (for crops with a contract change date prior to 11/30/2017)
Exhibit 4B	New exhibit added to provide a non-exhaustive list of items an authorized signer may or may not be allowed to execute/sign.
Exhibit 8	Changes in this exhibit include the changes from the last issuance of the GSH and changes to crops with CY 2027 CCD of 6/30 or earlier. Changes to crops with CY 2027 CCDs after 6/30 will be addressed in the next issuance of the GSH. ▪ Updated policy/crop provisions. ▪ Added: Crop and Livestock Income Protection, Hybrid Wheat Seed, and Turfgrass. ▪ Removed Post Application Coverage Endorsement from the Endorsements & Options table. ▪ Added footnote to Forage Production to state YP, RP, and RP HPE are also available.

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PART 1: GENERAL INFORMATION AND RESPONSIBILITIES

1 General Information

A. Purpose

The FCIC is a wholly owned government corporation established by the ACT, 7 U.S.C. 1501. Its purpose is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for the research and experience helpful in devising and establishing insurance. RMA is charged with regulation and oversight of the ACT and the administration of the crop insurance program on behalf of FCIC.

This handbook provides the official FCIC-approved standards for policies administered by AIPs under the General Administrative Regulations, 7 CFR Part 400; CCIP-BP, including CAT; ARPI-BP; STAX; RI; and WFRP for the 2027 and succeeding CYs. These general administrative procedures apply across all plans of insurance unless otherwise modified by program-specific directives.

This handbook provides general information that may apply to pilot programs or private insurance products submitted under the authority of the ACT (e.g., Sec 508(h) or 523(d)), unless the guide for such program or product modifies the GSH for applicability.

B. Source of Authority

Federal programs enacted by Congress and the regulations and policies developed by RMA, USDA, and other Federal agencies provide the authority for program and administrative operations, and basis for RMA directives. Administration of the Federal crop insurance program is authorized by the following:

(1) the ACT, 7 U.S.C. 1501 et seq.;

(2) The Food Security Act of 1985, 16 U.S.C. 3801 et seq.;

(3) Controlled Substance Act of 1970, 21 U.S.C. 801 et seq.;

(4) PRWORA, 8 U.S.C. 1601 et seq.;

(5) Privacy Act of 1974, 7 U.S.C. 552a;

(6) Agriculture General Administrative Regulation, 7 CFR Part 400;

(7) Drug Abuse Prevention and Control, Title 21 U.S.C., Chapter 13;

(8) HELC and WC, 7 CFR Part 12; and

(9) SRA and LPRA.

C. Related Procedural or Directive Handbooks

The following table provides directives and/or handbooks closely related to this handbook. However, other RMA-approved handbooks may refer to this handbook and be applicable.

C. Related Procedural or Directive Handbooks (Continued)

Handbook	Relation/Purpose
CIH	This handbook provides the official FCIC-approved underwriting standards for policies administered by AIPs for the General Administrative Regulations, CCIP-BP, and ARPI-BP.
DSSH	This handbook provides the official FCIC-approved form standards for use in the sale and service of any eligible Federal crop insurance policy; required statements and disclosures; and the standards for submission and review of non-reinsured supplemental policies in accordance with the SRA.
GFP	This handbook provides the official FCIC-approved standards and procedures that AIPs, and RMA will follow for conducting GFP decisions determinations, and reconsiderations.
ITS	This handbook provides the official FCIC-approved standards for use in reporting, administering, and maintaining ITS, identifying and notifying ineligible persons, and implementing RMA and AIP reinstatement.
LAM	This handbook provides the official FCIC-approved general loss adjustment standards for all levels of insurance provided under FCIC unless a publication specifies that none or only specified parts of this handbook apply.
NVS ISH	This handbook provides instructions for administration of the NVS CP.
RI ISH	This handbook provides the official FCIC-approved underwriting, administration, and review standards for the RI plan of insurance.
STAX	This handbook provides the official FCIC-approved standards and procedures for administering STAX.
WAH	This handbook provides the official FCIC-approved standards and criteria for WAs, and instructions for each RMA RO and AIP to process WA requests.
WFRP	This handbook provides official FCIC-approved information, procedures, and instructions for administering the WFRP program, including Micro Farm.

D. Regulatory or Procedural Conflict

If there is a conflict in procedural Application, the following take precedence:

(1) the ACT;

(2) administrative regulations (7 CFR Part 400);

(3) the CAT Endorsement, as applicable;

(4) WA, as applicable;

(5) the SP and AD;

(6) crop endorsements/options;

(7) CP;

(8) BP;

D. Regulatory or Procedural Conflict (Continued)

(9) Manager's Bulletins and Product Management Bulletins;

(10) plan specific directives such as the CIH/WFRP Pilot Handbook/STAX Underwriting Standards Handbook/RI ISH, as applicable to the policy's plan of insurance;

(11) GSH;

(12) PPSH;

(13) Crop LASHs; and

(14) LAM.

E. Procedural Issuance Authority

This handbook is written and maintained by:

USDA-Risk Management Agency
Office of Deputy Administrator for Product Management
Product Administration and Standards Division

For applicable RMA Regional or Compliance office contacts referenced throughout this handbook, refer to www.rma.usda.gov/rmalocal#region-state.

F. Procedural Questions for the GSH

(1) Questions regarding procedures in this handbook are to be directed:

(a) to the AIP. If not resolved, then

(b) through appropriate channels within the AIP to RMA.

RMA will not attempt to instruct agents or insureds of the AIP.

(2) If a perceived error is identified, notify RMA in writing by using the PIL, or by email at rma.kc.gsh@usda.gov. The writing must clearly identify the error and provide the proposed correction.

If RMA determines the error identified is significant, RMA will issue a correction either in the existing CY through a reissuance of the GSH or a memorandum/bulletin. Conversely, if RMA determines the error identified as not to be significant, correction will be included in the subsequent issuance of the GSH.

(3) FCIC Policy and Procedural Interpretations may be submitted pursuant to 7 CFR Part 400, subpart X.

G. RMA Contacts for AIPs

To ensure policy or procedural questions submitted to RMA are received by the appropriate group, use the PIL, or the applicable RMA group email account, as provided below.

The PIL and RMA group email accounts are established for AIP use only. Agents and insureds must submit questions to their respective AIPs.

Once an AIP obtains access to the PIL, the PIL will be used for submitting policy and procedural questions regarding the subject matter areas below for which the PIL is the first RMA contact listed.

Subject Matter	Reference Location	RMA Contact
Basic & Crop Provisions	Policy Provisions	PIL
Category B, C, & D Crops; ARPI	CIH	PIL or rma.kc.cih@usda.gov
Conservation Compliance	GSH	PIL or conservation@usda.gov
General Administrative	GSH	PIL or rma.kc.gsh@usda.gov
Good Farming Practice	GFP Determination Standards Handbook	rma.rmsd@usda.gov
Hemp	Hemp Crop ISH	PIL or sm.fpac.rma.hemp@usda.gov
Ineligibility	ITS Handbook, subpart U	rma.debt.management@usda.gov
Livestock	LRP/LGM/DRP ISHs	PIL or rma.kc.livestock@usda.gov
Loss Adjustment	LAM	PIL or rma.lam@usda.gov
Margin Protection and Margin Coverage Option	MP ISH and MCO ISH	PIL or sm.fpac.rma.margin@usda.gov
Category G	NVS ISH and CE ISH	PIL or rma.kc.nursery@usda.gov
Prevented Planting	PPSH	PIL or rma.pp.lah@usda.gov
Production Revenue History	PRH Pilot ISH	PIL or sm.rma.prh@usda.gov
Prices		PDFeedback@usda.gov
Rainfall Index (Pasture, Rangeland, Forage; Apiculture; Annual Forage)	RI ISH	PIL or rma.kcviri@usda.gov
Rates		actuarial@usda.gov
Written Agreements	WA Handbook	PIL or rma.kc.wah@usda.gov
Whole-Farm Revenue Protection	WFRP Handbook	PIL or rma.wfrp@usda.gov
508(h) Private Product Reimbursements	subpart V	DeputyAdministrator@usda.gov

G. RMA Contacts for AIPs (Continued)

Subject Matter	Reference Location	RMA Contact
FAD requests	subpart X	subpartX@usda.gov
Non-Reinsured Supplemental Policy reviews	subpart V; 7 CFR §400.713	DeputyAdministrator@usda.gov
Concept Proposal and 508(h) Private Product Submissions	subpart V; 7 CFR §400.701 to 400.712	DeputyAdministrator@usda.gov

2 Responsibilities

AIPs must use standards, procedures, methods, and instructions as authorized by FCIC in the sale and service of policies. Each AIP is responsible for using RMA-approved procedures. Procedures in this handbook must be administered on a policy basis.

3 Requesting Information from FSA

AIPs have access to FSA information through CIMS. If that access is not sufficient or appears questionable, the agent/AIP may either complete an FSA-426 form to obtain the most recent year's FSA-578 and maps from the applicable FSA county office or obtain such information from the insured.

The FSA-426 form is used to request the producer's most current year's FSA-578 printouts and hard copy of maps. In certain cases, the FSA-426A may be used to request data from years prior to the most recent year. The agent/AIP representative must be sure to indicate the year(s) for which information is requested.

4 Title VI of the Civil Rights Act of 1964

The USDA prohibits discrimination against its customers. Title VI of the Civil Rights Act of 1964 provides that "No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." Therefore, programs and activities that receive Federal financial assistance must operate in a non-discriminatory manner. Also, a recipient of RMA funding may not retaliate against any person because they opposed an unlawful practice or policy, or made charges, testified, or participated in a complaint under Title VI.

It is the AIP's responsibility to ensure that standards, procedures, methods, and instructions, as authorized by FCIC in the sale and service of crop insurance contracts, are implemented in a manner compliant with Title VI. Information regarding Title VI of the Civil Rights Act of 1964 and the program discrimination complaint process is available on the USDA public website at www.usda.gov/oascr. For more information on the RMA Non-Discrimination Statement, see the DSSH.

5–200 (Reserved)

PART 2: PERSON(S): TYPES, DOCUMENTATION, AND DETERMINATION

Section 1: Eligibility

201 Eligible Persons

To be eligible, the applicant must meet all the following.

A. Competence

An individual is considered to be competent unless a court has declared the individual incompetent. A judicially declared incompetent individual may apply for insurance only if a court-appointed guardian signs the policy documents.

(1) If an individual is judicially declared incompetent:

(a) the AIP must obtain and maintain in the insurance file a copy of the declaration; and

(b) Para. 231 is applicable.

Evidence must be provided to the AIP that an insurable share exists for the judicially declared incompetent individual before the AIP may accept the Application.

(2) If incompetency is dissolved:

(a) evidence of the dissolution (e.g., court judgment) must be provided to the AIP; and

(b) a new Application is required.

B. Legal Emancipation

(1) For individuals less than 18 years of age or where emancipation has not been conferred by a court, to be eligible for crop insurance:

(a) a minor must provide evidence an insurable share exists; and

(b) a parent or court-appointed guardian must co-sign the Application and other applicable policy documents.

(2) When a parent or court-appointed guardian co-signs the Application, the following must be provided with the Application:

(a) an acknowledgement guaranteeing payment of the annual premium;

(b) a written statement describing the farming operation and the insurable share; and

(c) an acknowledgement stating that the requirements of Para. 251F have been satisfied allowing the minor child to have a separate policy.

B. Legal Emancipation (Continued)

(3) For CAT coverage only, a minor who is competent to enter into a legally binding contract may insure without a cosigner; however, if not competent to enter into a legally binding contract, a parent or court-appointed guardian must co-sign the Application.

(4) When the minor attains the age of legal majority or is conferred legal emancipation by the court, their existing contract is dissolved, and a new Application is required. See Part 2, Sec. 3 for applicable entity status changes.

C. Insurable Share of Crop

D. Applicable Identification Number and Person Type

E. Eligibility

Must not be ineligible per the procedures in Para. 202.

202 Ineligible Persons

An ineligible person is a person who is denied participation in any program administered under the ACT. See the ITS Handbook to determine the impact of ineligibility of insureds and SBIs. A person may be determined to be ineligible if the following applies.

A. Delinquent Debt

Any person with a delinquent debt to the FCIC or an AIP is ineligible until the debt is satisfied. A delinquent debt is a debt that is not satisfied on or before the date of delinquency, such as the termination date, due date contained in a written payment agreement, or due date specified in the notice to the person of the amount due.

B. Disqualification, Suspension, or Debarment

Any person who has been disqualified under Sec 515(h) of the ACT or has been debarred or suspended under 7 CFR Part 400, subpart R, 2 CFR Part 180, 2 CFR Part 417, or successor regulations, is ineligible for the specified period of disqualification, suspension, or debarment.

C. Conviction-Controlled Substance

The Food Security Act of 1985, as amended, provides that any person who is convicted under Federal or State law of planting, cultivating, growing, producing, harvesting, or storing a controlled substance in any CY will be ineligible for USDA benefits from the beginning of the CY of conviction and the four subsequent consecutive CYs.

D. Not a U.S. Citizen, Non-Citizen National, or Qualified Alien

An individual who is not a U.S. citizen, U.S. non-citizen national, or a qualified alien is ineligible to participate in any program administered under the ACT according to PRWORA.

203–210 (Reserved)

211 Identification Number(s)

To obtain insurance, the applicant must report the correct person type (e.g., individual, spousal, joint venture, partnership, corporation, etc.) and the correct applicable identification number.

A. Identification Number Reporting

Each person type, identified in Sec. 4 of this Part, requires either an SSN and/or EIN, or RAN to be reported. Insurance will not be provided to persons who fail to report their SSN, EIN, or RAN, as applicable, on or before the SCD. An incorrectly reported identification number may result in a voided policy (see Para. 213).

Each identification number is to be used only by the person to whom it was assigned, and in accordance with the person type procedures in Sec. 4 of this Part. If an incorrect SSN/EIN is certified or an insured receives an indemnity, PP payment or replant payment and the SSN/EIN is not correct; the insured may be subject to civil, criminal, or administrative sanctions.

B. SSN

An SSN is an acceptable identification number. In limited situations, an SSN may have been provided to a person who is not a qualified alien entitled to Federal benefits. If an AIP is aware of an insured or SBI in this situation, the AIP must follow procedures in Para. 211E.

Example: SSN cards which state, "VALID FOR WORK ONLY WITH DHS AUTHORIZATION" and "NOT VALID FOR EMPLOYMENT."

The SSN is a nine-digit number issued by the United States SSA to an individual for purposes of Sec 205(c)(2)(A) of the Social Security Act. The nine-digit number consists of three parts. The first set of three digits is called the area number, the second set of two digits is called the group number, and the final set of four digits is called the serial number.

The SSN is acceptable if it is used only by the person to whom it was assigned and in accordance with the person type procedures in Sec. 4 of this Part.

Exception: Joint Ventures, LLCs, and Revocable Trusts may use an individual member's SSN. The individual must also be reported as an SBI with their SSN.

C. EIN

An EIN is an acceptable identification number. Also known as a Federal Employer Tax Identification Number, the EIN is used to identify a business entity.

The EIN is acceptable if it is used only by the person to whom it was assigned and in accordance with the person type procedures in Sec. 4 of this Part.

D. ITIN

An ITIN is not an acceptable identification number. An ITIN is a tax processing number issued by the IRS for Federal tax reporting purposes. The ITINs are issued to individuals who are required to have a U.S. taxpayer identification number, but who do not have, and are not eligible to obtain an SSN from the SSA and are not intended to serve any other purpose.

The ITIN is a nine-digit number that begins with the number nine and has a range of 70–88 in the fourth and fifth digit. Effective in 2011, the range was extended to include 900-70-0000 through 999-88-9999, 900-90-0000 through 999-92-9999, and 900-94-0000 through 999-99-9999.

E. RAN

A RAN is an acceptable identification number. A RAN is issued by RMA to those individuals who demonstrate that they are entitled to Federal benefits in accordance with the PRWORA. A RAN may also be assigned to a BIA allotment that does not have an identification number.

(1) RAN Issuance

If an applicant or an applicant's SBI is ineligible to obtain an SSN or an EIN, a RAN may be requested from RMA. RMA will issue a RAN if the applicant or applicant's SBI can demonstrate the applicant or applicant's SBI is a qualified alien entitled to Federal benefits in accordance with the PRWORA.

For BIA trust allotments only, AIPs may issue a RAN in accordance with these procedures when the BIA trust allotment does not have an EIN.

(2) Qualified Alien

To be considered a qualified alien under PRWORA, the individual must demonstrate they are:

(a) an Alien who is lawfully admitted for permanent residence under the INA;

(b) a Refugee who is admitted to the U.S.;

(c) an Alien paroled into the U.S. for at least one year;

(d) an Alien whose deportation was withheld;

(e) an Alien granted conditional entry pursuant to Sec 203(a)(7) of the INA (8 U.S.C. 1153(a)(7)) as in effect prior to April 1, 1980;

(f) a Cuban/Haitian Entrant; or

(g) an Alien who has been battered or subjected to extreme cruelty.

E. RAN (Continued)

(3) RAN Request for Qualified Alien

To request a RAN for a qualified alien the following must be completed.

(a) The qualified alien must:

(i) demonstrate they are/were a qualified alien eligible to receive Federal benefits on or before the SCD of the CY for which a RAN is requested;

(ii) submit a Request for an RMA Assigned Identification Number to the AIP;

(iii) provide all applicable documentation substantiating qualified alien status in accordance with PRWORA as provided in Exh. 6 and as specified in (3)(b) in this Subpara. to the applicable AIP.

The AIP must receive the request and supporting documentation no later than the SCD, or on or before the date specified by the AIP, if the RAN is being requested to provide a correction after discovery of an error; and

(iv) meet all other policy requirements (e.g., have an insurable share, not be ineligible, etc.).

(b) The AIP must:

(i) review the documentation provided by the person who applies for Federally reinsured and subsidized crop insurance benefits to determine if such evidence conforms to the requirements specified in Exh. 6;

(ii) obtain fully legible copies (front and back) of the original immigration documents as provided in Exh. 6;

(iii) forward the Request for an RMA Assigned Identification Number and supporting documentation within 30 days of the applicable SCD or of the date established by the AIP, when the RAN is being requested to provide a correction after discovery of an error (see Para. 215); and

(iv) until RAN is provided by RMA, handle in accordance with the following.

(A) If the person is the applicant or insured, the policy cannot be transmitted.

(B) If the person is an SBI to the applicant or insured, the amount of coverage for all crops included on the Application must be reduced proportionately by the percentage of interest of that person in the applicant or the insured.

E. RAN (Continued)

(c) RMA will:

(i) review the Request for an RMA Assigned Identification Number and supporting documentation; and

(ii) assign a RAN if documentation conclusively demonstrates that the requestor is a qualified alien within 30 days of receipt of the request and supporting documentation; or

(iii) deny the request within 30 days of the receipt of the request and supporting documentation.

RMA reserves the right to request additional information in review of the requestor's request. If more information is requested by RMA, a decision to accept or deny the request will be issued to the AIP within 30 days of receipt of the additional information.

(4) The Request for an RMA Assigned Identification Number

The Request for an RMA Assigned Identification Number must be completed and signed by the AIP and the requestor. Once completed, the Request must be forwarded to RMA by email to DeputyAdministrator@usda.gov.

Submitted supporting documentation must be legible and in color. The supporting documentation must be in color by scanning the documents. If a color copy of the required documentation is not provided, the Request will automatically be rejected for failure to timely submit all required documentation, and a RAN will not be assigned.

If the supporting documentation appears to be altered or counterfeit, or if the requestor presents documentation that does not conform to the standards provided in Exh. 6, the AIP must:

(a) annotate the request indicating such concerns; and

(b) complete INS Form G-845 Document Verification Request and attach fully legible copies (front and back) of the original documents and forward to RMA.

Failure to timely submit a Request for an RMA Assigned Identification Number and supporting documentation will be subjected to the procedures in Para. 213.

(5) RAN Request for Indians Represented by BIA

Prior to issuance of a RAN for a BIA allotment, the AIP must obtain a copy of the BIA trust agreement and process the Application in the same manner as an irrevocable trust.

E. RAN (Continued)

The AIP does not have to submit a Request for an RMA Assigned Identification Number to RMA for BIA allotments. The AIP is to make its determination of the BIA eligibility and assign a number in accordance with (6) in this Subpara. See Para. 258D for further information regarding BIA allotments held under trust.

(6) RAN Assignment

(a) If it is determined by RMA that the applicant or applicant's SBI is a qualified alien in accordance with PRWORA, RMA will issue a RAN. If a RAN cannot be assigned to the:

(i) applicant, then no policy can be issued; or

(ii) applicant's SBI, the amount of coverage for all crops on the Application will be reduced proportionately by the percentage interest the SBI has in the applicant.

(b) For BIA allotments, AIPs will establish a nine-digit number. This number must be established as follows:

(i) the first two digits identify the FIPS State code;

(ii) the next three digits identify the FIPS county code; and

(iii) the last four digits identify the allotment number (e.g., 0006).

(c) If a RAN is assigned by RMA, any applicable LRR to the AIP will be considered for a waiver, and policy correction must be initiated by the AIP, as necessary, to reflect the insurable interest in the policy.

(7) RAN Expiration

For non-citizen qualified aliens, a RAN is temporary and will expire either when the qualified alien becomes a U.S. citizen and is assigned an SSN, or the documentation provided to support qualified alien status expires. For BIA trust allotments only, the RAN has no expiration.

(a) If a RAN expires and:

(i) the applicant or the applicant's SBI receives an admittance extension from the USCIS, of which renews the individual's qualified alien status, then the applicant or applicant's SBI must resubmit a Request for an RMA Assigned Identification Number as per the procedures in (3) in this Subpara.

(ii) after resubmitting a Request for an RMA Assigned Identification Number:

E. RAN (Continued)

(A) if the applicant no longer qualifies for a RAN, then a policy will not be issued; or

(B) if the applicant's SBI does not qualify for a RAN, then the amount of coverage for all crops on the Application will be reduced proportionately by the percentage of interest the SBI has in the applicant.

(iii) the non-citizen is admitted for permanent residency (conditional or unconditional), or becomes a U.S. citizen, the person must use the SSN received if applicable, or must resubmit a Request for RMA Assigned Identification Number to be used until such number is received.

Once the SSN is received it must be used. The policy must be corrected at the time the valid SSN is received by the person. LRR waivers are applicable.

(b) The AIP is responsible for monitoring the expiration of the RAN.

(i) If a RAN expires due to a non-citizen receiving an SSN, the AIP must correct the policy to include the SSN and notify RMA of the receipt of the SSN.

(ii) If a RAN expires due to a non-citizen no longer qualifying as a qualified alien; upon discovery the AIP must notify RMA of the disqualification on or before the next SCD.

(c) Failure to report the expiration may adversely affect the insured's ability to continue coverage as outlined in Para. 213.

(8) RANs for SBI of a Business Entity

Obtaining insurance as a business entity cannot be used to defeat the purpose of PRWORA. If a business entity only has one individual with an SBI in the entity and it is determined that the business entity was formed in order to defeat the requirements of PRWORA, the entity is to be treated as an individual; therefore, no insurance will be provided.

If any individual belonging to the entity does not qualify for Federal benefits under PRWORA, then the entity's insurable interest must be reduced proportionately. If an individual is eligible to receive Federal benefits, then the individual's share of the business entity is insurable.

A. Requirements

(1) On or before the SCD, for both new and carryover insureds, all persons (both foreign and domestic) with an interest of at least 10 percent in the insured/applicant must be listed and the applicable identification number provided on the policy/Application. A policy will be void if it does not include all persons with an SBI in the applicant or insured (see Para. 214 and Para. 212C).

Exception: If an insured can prove that the error in not reporting an SBI was inadvertent and that when the insured provides the SBI name and identification number there were not disproportionate benefits received (e.g., SBI was eligible), the policy will not be void.

(2) The spouse of any individual applicant/individual insured will be presumed to have an SBI in the applicant or insured, even if the spouses qualify for separate policies in accordance with Para. 251E.

Exception: If the spouses can prove they are legally separated or otherwise legally separate under the applicable State dissolution of marriage laws, then separate policies may be available (see Para. 251E).

(3) Any child of an individual applicant/individual insured is not considered to have an SBI in the applicant or insured unless the child has a separate legal interest in such person.

B. SBI Information Changes

If any SBI information changes after the SCD for the previous CY, the following is applicable.

(1) The Application must be revised on or before the SCD for the current CY.

(2) If such information changes less than 30 days before the SCD for the current CY, the Application must be revised on or before the SCD of the next CY.

(3) If the insured fails to provide such revisions, the procedures in Para. 214 apply.

C. SBI Examples

(1) There are two partnerships, each has a 50 percent interest in the insured. Each partnership consists of two individuals, each with a 50 percent share of the applicable partnership. Each individual is considered to possess a 25 percent interest in the applicant/insured; therefore, both the partnership and the individuals would have an SBI in the applicant/insured. The spouses of the individuals would not be considered to have an SBI unless the spouse was one of the individuals that comprised the partnership.

If each partnership is comprised of six individuals with equal interest in the applicant/insured, then each would only have an 8.33 percent interest in the applicant/policyholder although the partnership would have an SBI interest in the applicant/insured.

C. SBI Examples (Continued)

The total of all SBIs' shares may exceed 100 percent.

Example: M, Inc. is owned by S&W Partnership. S&W Partnership is owned by two individuals, each with 50 percent ownership in S&W Partnership. Therefore, the SBIs for M, Inc., would include S&W Partnership at 100 percent, and both individuals with ownership in S&W partnership at 50 percent each, for a total SBI percentage of 200 percent.

(2) There are two corporations, each has a 50 percent interest in the insured. Each corporation is comprised of two foreign partnerships. Two of the foreign partnerships have a 50 percent interest in one corporation and the other two foreign partnerships have a 50 percent interest in the other corporation. Each of the four foreign partnerships is comprised of two individuals, each having a 50 percent interest in the respective foreign partnership.

In this example, each individual would be considered to have a 12.5 percent interest in the applicant/insured. The corporations, foreign partnerships, and individuals, whether foreign or domestic, must be reported as having an SBI in the applicant/insured.

213 Unreported or Incorrect Identification Numbers

A. Failure to Report

If the Application does not contain the applicant's SSN or EIN, then:

(1) the Application will not be accepted; and

(2) no insurance will be provided for the year of Application.

B. Incorrect Identification Numbers

If the Application contains an incorrect SSN or EIN for the applicant, then:

(1) the Application will be considered not to have been accepted;

(2) no insurance will be provided for the year of Application and for any subsequent CYs, as applicable; and

(3) such policies will be void unless the applicable SSN/EIN is corrected.

The AIP may incur a LRR for identification number changes. For further information regarding LRRs, AIP should contact RSD.

If an incorrect SSN/EIN is certified or an insured receives an indemnity payment, PP payment, or replant payment and the SSN/EIN is not correct, the insured may be subject to civil, criminal, or administrative sanctions.

C. Failure to Correct Incorrect Identification Numbers

The policy will be void if the applicant:

(1) does not correct the incorrect number; or

(2) corrects the incorrect number, but:

(a) the applicant does not prove that any error was inadvertent (simply stating an error was inadvertent is not sufficient to prove the error was inadvertent); or

(b) the AIP determines:

(i) the incorrect number would have allowed the insured to obtain disproportionate benefits;

(ii) the applicant is ineligible to participate in the crop insurance program; or

(iii) the applicant could avoid an obligation or requirement under any State or Federal law.

214 Reported, Unreported, or Incorrect SBI Identification Numbers

A. SBI Identification Number(s) Provided

For both new and carryover policies, insurance will be provided if the correct identification number(s) for all SBIs is provided. If the person with an SBI is ineligible for insurance, the amount of coverage for all crops included on the Application will be reduced proportionately by the percentage of interest the SBI has in the applicant/insured.

B. Failure to Report or Correct

For both new and carryover policies, if the applicable identification number(s) of any person(s) with an SBI in the applicant/insured is not included on the Application or are incorrect, the policies for all crops on the Application will be void if:

(1) the identification number is not corrected or provided;

(2) the insured cannot prove that any error or omission was inadvertent (simply stating an error was inadvertent is not sufficient proof the error or omission was inadvertent); or

(3) the AIP determines:

(a) the incorrect number would have allowed the insured to obtain disproportionate benefits;

(b) the SBI is ineligible to participate in the crop insurance program; or

(c) the applicant/insured/SBI could have avoided an obligation or requirement under any State or Federal law.

215 Correction After Discovery - Inadvertently Misreported Identification Numbers

When an AIP discovers an inadvertently incorrect identification number for an insured or an inadvertently incorrect or unreported identification number for an SBI more than 60 days after the applicable SCD then:

(1) the AIP must notify the insured in writing of the incorrect or unreported identification number(s); and

(2) establish a deadline for submitting the corrected or unreported identification number(s).

Failure by the insured to correct or provide the identification number by the AIP's established deadline results in policy voidance. A policy that has been voided after the established deadline has expired cannot be reinstated. See also Part 5 for Correction of Errors procedures and Para. 833C for policy voidance procedures.

216–230 (Reserved)

231 Death, Disappearance, or Judicial Declaration of Incompetence

A. Individual - Unmarried

If an unmarried insured who dies, disappears, or is judicially declared incompetent, and the event(s) occurs:

(1) more than 30 days before the cancellation date:

(a) the policy is automatically canceled as of the cancellation date; and

(b) a new Application must be submitted; or

(2) 30 days or less before the cancellation date, or after the cancellation date:

(a) the policy will continue in effect through the CY immediately following the cancellation date; and

(b) be automatically canceled as of the cancellation date immediately following the end of the insurance period for the CY; unless canceled on or before the cancellation date prior to the start of the insurance period.

A new Application must be submitted prior to the SCD for coverage for the subsequent CY, and any indemnity will be paid to the person(s) determined to be beneficially entitled, and such person(s) must comply with all policy provisions and pay the premium.

The beneficiary is required to report the death, disappearance, or judicial declaration of incompetence no later than the cancellation date prior to the start of insurance, except when the event occurs 30 days or less before the cancellation date or after the cancellation date, then notice must be provided on or before the cancellation date for the next CY.

B. Individual - Married (Spousal)

(1) If the named insured dies, disappears, or is judicially declared incompetent, the policy will default to the spouse if all the following are met:

(a) the spouse was included on the policy as having an SBI in the named insured;

(b) the spouse has a share of the crop; and

(c) the named insured's share does not convert to an estate or is not otherwise legally transferred to a person other than a spouse.

Changes such as coverage level, price election/percent of price, etc., cannot be made after the SCD.

Note: See Appendix III for the process to ensure the policy appropriately defaults to the surviving spouse in RMA's systems.

B. Individual - Married (Spousal) (Continued)

(2) If a married insured dies, disappears, or is judicially declared incompetent, and the share converts to an estate or is otherwise legally transferred to a person other than a spouse; or if the spouse was not included on the policy as having an SBI in the named insured or the spouse did not have a share in the crop, and the event(s) occurs:

(a) more than 30 days before the cancellation date:

(i) the policy is automatically canceled as of the cancellation date; and

(ii) a new Application must be submitted; or

(b) 30 days or less before the cancellation date, or after the cancellation date:

(i) the policy will continue in effect through the CY immediately following the cancellation date; and

(ii) be automatically canceled as of the cancellation date immediately following the end of the insurance period for the CY, unless canceled on or before the cancellation date prior to the start of the insurance period.

A new Application must be submitted prior to the SCD for coverage for the subsequent CY, and any indemnity will be paid to the person(s) determined to be beneficially entitled, and such person(s) must comply with all policy provisions and pay the premium.

The beneficiary is required to report the death, disappearance, judicial incompetence no later than the cancellation date prior to the start of insurance, except when the event occurs 30 days or less before the cancellation date or after the cancellation date, then notice must be provided on or before the cancellation date for the next CY.

C. Legal Business Entities

If any partner, member, shareholder, etc. of an insured legal entity dies, disappears, or is judicially declared incompetent and such event dissolves the entity; and the event occurs:

(1) more than 30 days before the cancellation date:

(a) the policy is automatically canceled as of the cancellation date; and

(b) a new Application must be submitted; or

(2) 30 days or less before the cancellation date, or after the cancellation date:

(a) the policy will continue in effect through the CY immediately following the cancellation date; and

C. Legal Business Entities (Continued)

(b) be automatically canceled as of the cancellation date immediately following the end of the insurance period for the CY, unless canceled on or before the cancellation date prior to the start of the insurance period.

A new Application must be submitted prior to the SCD for coverage for the subsequent CY, and any indemnity will be paid to the person(s) determined to be beneficially entitled, and such person(s) must comply with all policy provisions and pay the premium.

The remaining member(s) or beneficiaries of the insured entity is required to report the death, disappearance, or judicial declaration of incompetence no later than the next cancellation date for the next CY, except if notice is not provided timely, then (1) and (2) above apply retroactive to the date such notice should have been provided and any payments made after the date the policy should have been canceled must be returned.

232 Other Causes

A. Dissolution Before the Cancellation Date

For all person type status changes other than death, disappearance, or judicially declared incompetence, if the insured entity dissolves before the cancellation date, the policy is automatically canceled on or before the cancellation date prior to the start of the insurance period and a new Application must be submitted on or before the SCD.

B. Dissolution On or After the Cancellation Date

For all person type status changes other than death, disappearance, or judicially declared incompetence, if the insured entity dissolves on or after the cancellation date the policy will:

(1) will continue through the CY immediately following the cancellation date; and

(2) be automatically canceled as of the cancellation date immediately following the end of the insurance period for the current CY, unless canceled on or before the cancellation date before insurance attaches.

A new Application must be submitted prior to the SCD of the subsequent CY. Any indemnity, replant payment, or PP payment will be paid to the person(s) determined to be beneficially entitled, such person(s) must comply with all policy provisions and pay the premium.

C. Reporting of Dissolution

The remaining member(s) or beneficiaries of the insured entity must report the event no later than the next cancellation date.

Exception: When the event occurs 30 days or less before the cancellation date or after the cancellation date, then notice must be provided on or before the cancellation date for the next CY.

233–250 (Reserved)

251 Individuals

A. Individual - Unmarried

This person type is a natural person, including but not limited to a citizen of the U.S., an alien lawfully admitted for permanent residence, a non-citizen national or a non-resident alien as defined by the INA as amended, 8 U.S.C. 1452 (see also Para. 211E).

(1) Application

The Application covers only the individual's share; including the individual's share as a co-owner, joint operator, or partner provided the co-ownership, joint operation, or partnership is not insured separately.

Exception: The Application may cover a Landlord/Tenant if the requirements of Para. 252 are met.

When more than one member of a family in the same household applies for insurance, or the applicant resides in the household of an insured, each applicant must provide evidence and a signed statement demonstrating separate insurable shares. Separate insurable shares are not applicable to spouses or minors unless all the criteria noted in Subpara. E and F, respectively, are met (see also Para. 212A).

(2) Identification Number

The individual applicant must be an eligible person and must report an SSN/RAN. An individual with an EIN must report as an Individual Operating as a Business.

B. Individual - Married (Spousal)

This person type is a natural person, including but not limited to a citizen of the U.S., an alien lawfully admitted for permanent residence, a non-citizen national or a non-resident alien as defined by the INA as amended, 8 U.S.C. 1452 (see also Para. 211E), who is married.

(1) Application

On the Application, one spouse is reported as the insured and the other spouse is reported as an SBI.

(2) Identification Number

The failure to report a spouse as an SBI with the spouse's identification number on or before the applicable SCD will void the policy if the following applies:

(a) the identification number is not provided;

(b) the insured cannot prove the omission was inadvertent (simply stating the omission was inadvertent is not sufficient to prove the omission was inadvertent); or

B. Individual - Married (Spousal) (Continued)

(c) the AIP determines the omitted identification number:

(i) would have allowed the insured to obtain disproportionate benefits;

(ii) the SBI is ineligible to participate in the crop insurance program; or

(iii) the insured or the insured's SBI could avoid an obligation or requirement under any State or Federal law.

Note: A joint venture between two individuals that are married that uses one of the spouse's SSN as the joint venture identification number, must be reported as individual - married (spousal) person type.

(3) SBI Reporting

The spouse of a married insured is presumed to have an SBI of at least 50 percent in the insured individual, unless legally separated or otherwise legally separate under the applicable State dissolution of marriage laws.

(4) Automatic Permission for Spouses to Sign

For the individual - married (spousal) person type, the spouse named as the SBI can automatically sign all crop insurance documents on behalf of the named insured without a POA.

C. Individual Operating as a Business

This person type is an unincorporated business created and governed under the laws of the State in which it was formed in which an individual owns all the assets, owes all the liabilities, and operates in their own personal capacity. This person type includes, but is not limited to, individual proprietorships, sole proprietorships, joint ventures between two married individuals only with an EIN, assumed name and DBA (doing business as).

For a policy to be issued to an individual operating as a business, all the following requirements must be met.

(1) Must provide an EIN. If an EIN is not provided, then the person must be insured as an individual/individual-married (spousal) reporting an SSN or RAN.

(2) Must meet the requirements of Para. 251A or 251B.

(3) Must not be a corporation or other legal entity.

C. Individual Operating as a Business (Continued)

(4) The Application must be signed by the owner or authorized representative of the business. Upon request, the insured must be able to provide written documentation identifying the authorized representative of the business.

For the individual operating as a business person type, the spouses named as the SBIs can automatically sign all crop insurance documents on behalf of the owner or authorized representative without a POA.

(5) The individual/married individuals SSN/RAN must be reported and be listed as an SBI.

Exception: Separate policies are not allowed for an individual/individual-married (spousal) and an individual operating as a business. If the individual/individual-married (spousal) operates both as an individual/individual-married (spousal) and as an individual operating as a business, both operations must be reported under the individual/individual-married (spousal) policy.

D. Joint Tenancy and Survivorship Interest

This person type includes real property held by two or more persons jointly; each party has equal rights of possession and income. On the death of one joint tenant, their interest transfers to the benefit of the survivors in equal shares, without court proceedings.

Joint and survivorship interests are applicable in "community property" States in which a husband and wife have a joint and survivorship interest in the insurable acreage, and in States where such an interest may be created by deed.

For a policy to be issued to individuals with joint and survivorship interests all persons must meet the requirements in Para. 251A or 251B, and all persons must sign the Application.

Exception: When persons are husband and wife, or when a statement is prepared and signed by both parties designating either party as the authorized representative for the other, one party may sign the Application.

The Application is completed in the name of the joint and survivorship interest, such as John W. Doe, James C. Smith.

E. Separate Policies for Spouses

Generally, any acreage or interest by or for a spouse will be considered to be included in an individual-married (spousal) policy (see Para. 251B), unless the spouses can prove each have a separate farming operation. If the spouses can demonstrate each has a separate insurable interest from the other spouse, then separate policies are acceptable.

E. Separate Policies for Spouses (Continued)

Spouses must document with distinct and identifiable written records proving separate farming operations. Separate farming operations require all, but are not limited to, the following:

(1) separate land (transfers of acreage from one spouse to another is not considered separate land);

(2) separate capital;

(3) separate inputs;

(4) separate accounting; and

(5) separate maintenance of proceeds.

The Application must be submitted on or before the SCD, and each spouse must have an individual-married (spousal) policy with the other spouse reported as an SBI. If there is not any evidence of misrepresentation or fraud, separate policies for each spouse will be issued.

Exception 1: Separate policies are not allowed for an individual/individual-married (spousal) and an individual operating as a business. If the individual/individual-married (spousal) operates both as an individual/individual-married (spousal) and as an individual operating as a business, both operations must be reported under the individual/individual-married (spousal) policy.

Exception 2: Separate policies are not allowed for joint operations between spouses. Joint ventures, between two married individuals, must be reported as an individual-married (spousal) or individual operating as a business policy, as appropriate.

F. Separate Policies for Minors

A minor child with a separate farming operation is considered a separate person with respect to the separate farming operation if the:

(1) minor's parent or other entity in which the parent has an SBI does not have any interest in the minor’s farming operation or in any production from such operation;

(2) minor personally carries out the farming activities, as described in Para. 1201(1)(e), with respect to the minor’s farming operation; and

(3) minor has separate accounting and recordkeeping for the minor’s farming operation.

G. When a spouse, child, or any other member of the household that were allowed to receive separate policies are later found to not qualify for separate policies

The following actions must be completed.

(1) The policy that will remain in effect must be determined using the procedures in Para. 803, the other policy will be void.

G. When a spouse, child, or any other member of the household that were …(Continued)

(2) The BP stipulates that the acreage or share under the voided policy will be included under the remaining policy, if both persons are eligible.

(3) Since this change is expressly permitted by the BP, the acreage report must be revised to include the acreage from the voided policy in the remaining policy. This includes revising liability for the added acreage.

(4) Final premium and indemnity will be based on the revised acreage report for the remaining policy.

(a) If indemnities were paid on both policies, the indemnity on the voided policy will also be void. Once the acreage report on the remaining policy is revised to include the acreage from the voided policy, the claim for the remaining policy must also be revised to reflect the information on the revised acreage report. The total acreage and total production from both policies will be used to determine the corrected claim. No Liability Adjustment Factor (LAF) will be applied because it does not meet the criteria under the LAM. The total revised indemnity for the remaining policy will be compared to the total indemnity that was previously paid on each separate policy. If this comparison results in an underpayment that exceeds FCIC's approved tolerance, the underpayments will be paid. If this comparison results in an overpayment that exceeds FCIC's approved tolerance, the overpayment must be declared, and the policyholder notified as provided in the LAM.

(b) The total revised premium for the remaining policy will be compared to the total premium that was previously owed on each separate policy as provided in CIH Para. 1203(1)(b). If this comparison results in a reduction of premium, any overpaid premium will be refunded. If this comparison results in an increase in premium, the premium revision must be declared, and the policyholder notified.

252 Landlord/Tenant

Any person(s) may insure their landlord's and/or their tenant's share.

A. Application

When insuring either share the Application must clearly state the tenant will insure the landlord's share or the landlord will insure the tenant's share.

B. Identification Number

The Landlord/Tenant and the applicable identification number must be listed on the insured person's Application even if their share is less than 10 percent. Additionally, the percentage shares of all persons must be shown in the remarks section of the AR or documented and attached to the AR.

C. SBI Reporting

Landlords/tenants are to be reported on the insured's policy as an SBI.

D. Signature

The person who is insuring the other's share must provide, and the AIP must maintain written evidence of the other party's approval, such as the lease agreement or POA. If a person is sharing with multiple landlords/tenants and requests to insure the landlord's/tenant's share, only one policy is allowed. If the tenant or landlord has a separate policy for that crop/county, they cannot be insured under another person's policy.

Example: Insured A insures their landlord's (Producer B and Producer C) share for corn in County A. Insured A may only have one corn policy in County A. Such policy covers the named insured and the landlord's/tenant's share (as listed on the Application) of the insured acreage only.

E. Production History

If the other person insured the crop under an insurance plan that used APH to determine the per acre production guarantee the previous CY, the production history of the other person for the appropriate locations must be transferred to, reported by, and used by the insured. Each separate share arrangement with different landlords or tenants qualifies as a BU.

253 Partnerships

This person type is the voluntary association of two or more persons who jointly own and carry on a business for profit. This association can be either written or oral. Because each partner has the authority to enter into contracts and bind all other members to such contracts, a partnership is distinguished from other joint ventures. This person type includes, but is not limited to, General Partnerships, Limited Partnerships, and Limited Liability Partnerships.

A. Application

Crops to be insured under the partnership are those in which the partnership has a share and allows only one policy; however, if the entire share of the partnership is not to be insured, a policy to cover the share of an individual/individual-married (spousal) holding an interest in the partnership may be obtained. The individual/individual-married (spousal) Application may also cover any partnership interest the applicant may have if the entire share of the partnership is not insured.

B. Identification Number

For a Partnership to obtain insurance an EIN is required and must be reported.

C. SBI Reporting

All persons with an SBI in the partnership must be listed and the SSN/EIN/RAN of each SBI provided. If two or more persons do not have an SBI in the partnership, documentation must be obtained from the insured verifying a single SBI or no SBI.

D. Signature

The Application must be signed by a person authorized to bind the Partnership into contracts. Upon request, the insured must be able to provide written documentation from the Partnership identifying the authorized representative of the Partnership.

E. Continuity of Policy

The death, judicial declaration of incompetence, withdrawal, addition, or changing of a partner terminates the partnership, unless a written partnership agreement provides otherwise.

254 Joint Ventures

This person type, which includes co-ownerships and joint operations, is similar to a short-term partnership in which parties of two or more persons jointly engage in the farming operation. Generally, each person contributes land, labor, or machinery; share in the expenses and divide profits in terms of their invested interest. Like a partnership, this person type can involve any type of business transaction, and the persons involved can be individuals, groups of individuals, companies, or corporations. However, unlike the partnership person type, no person(s) is authorized to bind any other person(s) to any business transaction.

A. Married Individuals

Joint ventures between two individuals that are married are not recognized for crop insurance purposes.

(1) A joint venture between two individuals that are married individuals with an EIN must be reported as an individual operating as a business-person type (see Para. 251C).

(2) Joint ventures between two individuals that are married without an EIN using one of the spouse's SSN as an ID number, must be reported as individual-married (spousal) person type (see Para. 251B).

B. Application

Crops to be insured under a joint venture policy are those in which the joint venture has a share and allows only one policy; however, if the entire share of the joint venture is not to be insured, a policy to cover the share of an individual/individual-married (spousal) holding an interest in the joint venture may be obtained. The individual/individual-married (spousal) Application may also cover any joint venture interest the applicant may have if the entire share of the joint venture is not insured.

C. Identification Number

For a joint venture to obtain insurance the following is required:

(1) if an EIN has been established for a joint venture, it must be used and reported; or

(2) if an EIN has not been established for the joint venture, an individual member's SSN may be used as the identification number (see Para. 211B) (this does not include EINs or RANs).

Example: Individual A and Individual B form AB joint venture. No EIN is obtained; therefore, the Application should identify AB joint venture with Individual A's or Individual B's SSN; two SBIs reported with Individual A's SSN and Individual B's SSN.

D. SBI Reporting

All persons with an SBI in the person must be listed and the SSN/EIN/RAN of each SBI provided.

(1) If an EIN is provided, at least two SBIs must be provided. If two or more persons do not have an SBI in the joint venture, documentation must be obtained from the insured verifying a single SBI or no SBI.

(2) If a member's SSN is provided, at least one SBI must be provided, unless there are no persons with an SBI in the joint venture.

E. Signature

The Application must be signed by all parties or by the authorized representative. If an authorized representative signs the Application, a written agreement must be executed by the members of the joint venture giving the representative the authority to sign on behalf of all parties. The agreement is to be maintained by the AIP.

F. Continuity of Policy

The death, judicial declaration of incompetence, or withdrawal of one of the parties terminates the joint venture, see Part 2, Section 3 for person status changes.

G. Co-Ownership, Joint Property, and Other Concurrent Ownership Arrangements

There are various forms of concurrent real estate property arrangements that may affect the crop insurance policy or farming operation, such as Tenancy in Common, Tenants by Entirety, or Joint Tenants with Rights of Survivorship (see also Para. 251D). The AIP must determine whether this real estate property arrangement affects the ownership of the crop. If so, then it must determine whether the type of arrangement is properly classified.

G. Co-Ownership, Joint Property, and Other Concurrent Ownership Arrangements (Continued)

Generally, these types of property ownership arrangements that affect the ownership of the crop are to be reported as a Joint Venture, unless the ownership is between spouses. If the real estate property arrangement is between spouses and this arrangement affects the ownership of the crop, then Para. 251B applies.

255 Corporations

This person type is a legal entity created and governed under the laws of the State in which it was formed whose existence is independent of its shareholders with the intent to provide goods and services for a profit.

Includes, but is not limited to, publicly- or privately-held C or S Corporation, such as a domestic C corporation, a private cooperative corporation, or a wholly-owned foreign corporation. This business type does not include corporations that can be classified as nonprofit or tax-exempt organizations. The corporation may insure its share as landlord, owner-operator, operator, or tenant.

A. Identification Number

For a corporation to obtain insurance an EIN must be established, used, and reported.

B. SBI Reporting

All persons with an SBI in the corporation must be listed and the applicable identification number of each SBI provided. If at least one person does not have an SBI in the corporation, documentation must be obtained from the insured verifying there is not a person with an SBI.

C. Signature

The Application must be signed by a person authorized by the corporation to bind the corporation into contracts. Upon request, the insured must be able to provide written documentation from the corporation identifying the authorized representative of the corporation. The insured must provide to the AIP, in writing, the State in which the articles of incorporation/organization are filed.

D. Continuity of Policy

Changing shareholders does not affect the continuity of the policy.

256 LLC

This person is a legal entity created and governed under the laws of the State in which it was formed by filing articles of organization as an LLC. LLCs can elect to be taxed as a corporation or choose to be a “pass-through” entity which eliminates being double taxed. Owners are referred to as members, not partners or shareholders; the number of members is unlimited and may be individuals, corporations, partnerships, joint ventures, other LLCs, etc.

256 LLC (Continued)

A. Identification Number

For an LLC to obtain insurance, an EIN must be used and reported, if it has been established for the LLC. If an EIN has not been established for the LLC, an SSN of an owner must be reported.

B. SBI Reporting

All persons with an SBI in the LLC must be listed on the Application and the SSN/EIN for each SBI provided. If at least one person does not have an SBI in the LLC, documentation must be obtained from the insured verifying there is not an SBI.

C. Signature

The Application must be signed by a person authorized to bind the LLC into contracts. Upon request, the insured must be able to provide written documentation from the LLC identifying the authorized representative of the LLC.

D. Continuity of Policy

Changing members does not affect the continuity of the policy, unless specified by the LLC's operating agreement. If the operating agreement provides that changing members would affect the continuity of the LLC, and therefore the continuity of the policy, then Para. 232 applies.

257 Estates

This person type is a legal entity created and governed under the laws of the State in which it was formed as a result of an individual's death. The decedent's estate is a separate legal entity for Federal tax purposes.

The estate pays any debts owed by the decedent and then distributes the balance of the estate's assets to the beneficiaries of the estate. The estate exists until the final distribution of the assets is made to the heirs and other beneficiaries.

A. Identification Number

For an estate to obtain insurance an EIN must be established, used, and reported. If the estate does not possess an EIN, then the AIP must contact the personal representative and determine the appropriate person type and revise the policy, as applicable. The Application provides coverage for the share owned by the estate and must be signed by the personal representative of the estate.

B. Signature

The Application must be signed by the estate's executor or administrator. Upon request, the insured must be able to provide written documentation identifying the executor or administrator.

C. Continuity of Policy

Upon settlement of the estate and the discharge of the personal representative, the policy is canceled, and a new Application is required to maintain insurance. Removal or discharge of a personal representative or executor and the appointment of another does not terminate the policy.

258 Trusts

This person type is an arrangement through which trustees take title to property for the purpose of protecting or conserving it for the beneficiaries under the ordinary rules applied in chancery or probate courts.

A trust is a legal entity created during an individual's lifetime (inter vivos) or at the time of their death under a will (testamentary). The person who creates the trust is called the grantor or settlor.

For crop insurance purposes, the commonly recognized trusts include irrevocable, revocable, and BIA allotment trusts. State law and the trust instrument establish whether a trust is revocable or irrevocable.

A. Trust Applications and Signature

The Application must be signed by the administrator or fiduciary/trustee appointed to administer the business affairs of the trust. The Application extends to only the trust's interest. This extension does not include the interest of the beneficiaries to the trust.

B. Irrevocable Trusts

This person type is a legal entity created and governed under the laws of the State in which it was formed where legal title/interest is transferred from the settlor or grantor to the trustee for the benefit of the designated beneficiary(ies). Irrevocable trusts cannot be modified, amended, canceled, or revoked at any time by the settlor without the permission of the beneficiary. See Para. 258A for trust application and signature requirements.

(1) Identification Number

For an Irrevocable Trust to obtain insurance, an EIN must be used and reported. If the irrevocable trust does not possess an EIN, the AIP must contact the trustee and determine the appropriate person type and revise the policy accordingly.

Note: If an irrevocable trust meets any of the definitions contained in the IRS Code §§671, or 673–677, it must be reported as a revocable trust for crop insurance purposes, including the reporting of SBIs.

B. Irrevocable Trusts (Continued)

(2) Separate Policies

If the individual/individual-married (spousal) operates both as an individual/individual-married (spousal) and as an irrevocable trust, both operations must be reported under separate and distinct policies.

Example: One individual/individual-married (spousal) policy and one irrevocable trust policy, but not one individual/individual-married (spousal) policy with one irrevocable trust reported as SBI.

C. Revocable Trusts

This person type is a legal entity created and governed under the laws of the State in which it was formed where legal title/interest is transferred from the settlor or grantor to the trustee for the benefit of the designated beneficiary(ies). Revocable trusts may be modified, amended, canceled, or revoked at any time by the grantor. See Para. 258A for trust application and signature requirements.

(1) Identification Number

For a revocable trust to obtain insurance, an EIN must be used and reported, if it has been established. If an EIN has not been established, then an SSN/RAN must be reported.

(2) SBI Reporting

(a) The grantor of a revocable trust has an SBI in the trust.

(b) The revocable trust must be listed as an SBI to the individual/individual-married (spousal) policy.

(i) If the individual/individual-married (spousal) operates both as an individual/individual-married (spousal) and as a revocable trust both operations must be reported under the individual/individual-married (spousal) policy. The revocable trust must be listed as an SBI to the individual/individual-married (spousal) policy.

(ii) If operating as an individual and a revocable trust, the revocable trust's interest would be covered by the individual policy. The revocable trust must be listed as an SBI to the individual policy.

(c) If both spouses each have a revocable trust, each trust must be covered under the individual-married (spousal) policy, unless the criteria for separate policies have been met.

D. BIA Trust Allotments and Indian Tribal Ventures

Native American land is frequently held in trust by the BIA or a Tribal governing body and leased to operators. Often BIA trusts are referred to as allotments, identified by an allotment number. A separate policy is required for each allotment with different individual owners.

Native American land, held under trust, is processed in the same manner as land held in an irrevocable trust. The name of the trust is the named insured. If the BIA Lease Agreement requires that the operator of the leased land purchase crop insurance on behalf of the trust, a copy of that agreement will serve as sufficient documentation in lieu of a POA granting the operator that authority.

Linkage to other USDA farm program benefits for individual Native Americans who own parcels of an allotment are established by that trust.

All other Native American persons will be insured as applicable (e.g., individuals, partnerships, joint operators, etc.) with the exception of those tribal ventures that do not meet the requirements for joint ventures, which will be treated as a BIA trust for crop insurance policy processing purposes.

259 Other Persons

The following person types may insure their respective shares and must report an EIN.

A. Receiver or Liquidator

Receivers or liquidators may insure crops under their administration. The Application must be signed by the person authorized by the court to administer business of the receivership.

B. State/Local Government

This person type is the government at State-level or lower, such as the government of a State of the U.S., a State agency, county government, or city government.

The Application must be signed by the person having authority to enter into a binding contract for the State/local government.

C. Public Schools

This person type includes primary, elementary, or secondary, open and free to all children of a particular district where the school is located. This type also includes colleges and/or universities which are directly administered under the authority of a governmental body, or which receive a predominant amount of its financing from public funds.

The Application must be signed by the person having authority to enter into a binding contract for the public school.

D. Non-Profit or Tax-exempt Organizations

This person type is a legal entity created and governed under the laws of the State in which it was formed that is a tax-exempt or non-profit organization, generally a corporation that does not distribute earnings to its members. This type includes, but is not limited to, churches, charities, private schools, and clubs.

To act as a representative for any principal, a person (individual, etc.) must provide evidence of authority (preferably a POA) or a signed statement indicating where such authority can be verified. If authority is by verbal agreement, a statement is required from the principal for verification. The Application must be signed by the person having authority to enter into a binding contract for Non-Profit or Tax-Exempt Organization.

260–300 (Reserved)

PART 3: BFR/VFR

301 BFR Qualifications

To be a BFR for crop insurance purposes, an individual must not have actively operated and managed a farm or ranch in any county, in any State, with an insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 10 CYs. An individual may exclude any CY of insurable interest that was held while they were: (1) under the age of 18; (2) in full-time active duty in the U.S. military; or (3) in post-secondary education (see Para. 301C). Other USDA programs may have different BFR qualifications and benefits.

Note: The change in the BFR definition and the increase in the number of years of eligibility of BFR benefits are effective for all policies where the SCD is on or after July 1, 2025, even if the CCD has passed. See Para. 303D for more information regarding the need for a new or amended application for BFR based on these changes.

A. Must be an Individual

Only an individual person (i.e., a single human being) can be a BFR.

Exception: An Entity that is not an individual may be eligible for BFR benefits if there is at least one individual SBI holder and all individual SBI holders qualify as a BFR.

Example 1: The insured is an individual - married policy and is eligible for BFR benefits if both spouses qualify as BFRs.

Example 2: The insured is a corporation whose only SBI is an individual who produced corn and raised livestock for two CYs and qualifies as a BFR. The corporation is eligible for BFR benefits until the individual no longer qualifies as a BFR or the corporation gains other SBI(s) who are not BFR(s).

Example 3: The insured is an individual who insures their landlord's share on their policy. The landlord has produced crops for more than 10 CYs. Because the landlord is ineligible for BFR, the insured will also be ineligible for BFR if they insure the landlord's share.

Example 4: The insured is a partnership whose SBIs include an individual (who qualifies as a BFR) and a corporation, which has three SBIs who are individuals. The individuals with an SBI in the corporation must qualify as BFRs for the corporation to qualify for BFR benefits and subsequently the partnership to qualify for BFR benefits.

B. Insurable Interest

An insurable interest in any crop or livestock includes any interest as an individual, or as an SBI holder in another person, who has an insurable interest in any crop or livestock and may exclude any CY's insurable interest earned as indicated in Para. 301C.

B. Insurable Interest (Continued)

Insurable interest in any crop or livestock exists regardless of whether such crop or livestock was insured, was insurable or whether the person had participated in a USDA program. For the purposes of determining whether an individual has an insurable interest in a crop or livestock for BFR eligibility, the CY for:

(1) insurable annual crops is the same as the CY in the applicable insurance policy, regardless of whether the crop or livestock is insured. For uninsurable crops, the CY is the period within which the crop is normally grown, regardless of whether or not it is actually grown, and designated by the calendar year in which the insured crop is normally harvested.

(2) insurable perennial crops is when the crop has reached production minimums or insurable age. For uninsurable perennial crops, it is when the tree, vine, or bush produces a crop that is of such a value to be commonly harvested and marketed for the area as determined by local agriculture experts.

(3) insurable livestock is the same as the CY in the applicable insurance policy, regardless of whether the livestock is insured. For uninsurable livestock, the CY is the 12-month period, beginning July 1, and ending the following June 30, which is designated by the calendar year in which it ends.

If all acres of a crop(s) are prevented from planting, then the individual would not have an interest in the crop. If partial acreage is prevented from planting and there is some planted acreage, the individual would have an insurable interest in the crop. An interest in acreage enrolled in CRP or other USDA programs where a crop is not being produced is not considered an insurable interest in a crop.

Example 1: An individual has held a 20 percent interest in a corporation for the past two years during which the corporation has grown corn. The individual has had an insurable interest in a crop for two CYs.

Example 2: An individual has held a 20 percent interest in a family corporation for four years during which time the corporation raised feeder pigs. The individual has an insurable interest in livestock for four CYs.

Example 3: An individual has held a 50 percent interest in a partnership that raised corn during the 2002 and 2003 CYs; uninsurable dry beans during the 2004–2007 CYs; and feeder pigs during the 2002–2008 CYs. The individual has an insurable interest in crops and livestock for seven CYs.

Example 4: An individual has only owned 100 acres of cropland enrolled in CRP for the past 10 years and has never owned or had an interest in any crop or livestock as an individual or as an SBI to another person. CRP acreage is not considered an insurable interest in a crop or livestock; therefore, the individual has not had an insurable interest.

B. Insurable Interest (Continued)

Example 5: An individual has owned a farm and raised carrots and chickens in Iowa during the 2012 and 2013 CYs. Although carrots and chickens are not insurable in Iowa, the individual has an insurable interest in a crop or livestock for the purposes of determining eligibility for BFR. In this situation, the individual has an insurable interest in in a crop or livestock for two CYs.

C. Exclusions from Insurable Interest

(1) An individual may exclude CYs as insurable interest, if the insurable interest in the crop occurred while the individual was:

(a) under the age of 18, which includes any CY during which a BFR turns 18;

(b) in full-time duty in the active military service of the U.S. or was the spouse of an individual who is in full-time duty in the active military service of the U.S. This includes members of the Reserve Component serving on active duty but does not include National Guard duty, unless it is qualifying National Guard duty during a war or other military operation or national emergency.

Exception: The spousal exclusion only applies to the SBI of individual person types that require spousal reporting.

Qualifying National Guard duty means service on full-time National Guard duty under a call to active service authorized by the President, the Secretary of Defense, or the Governor for a period of more than 30 consecutive days in connection with a war, other military operation, or a national emergency declared by the President and supported by Federal funds; and/or

(c) in a post-secondary education program whose curriculum is designed primarily for students who are beyond the compulsory age for high school, such as academic, vocational, and continuing professional education. This excludes avocational classes taken for personal pleasure or hobby and adult basic education programs, such as GED programs.

For the CY to be excluded when determining the 10 CYs of producing any crop or livestock, the individual must have been enrolled as a student for at least the equivalent of one semester (at least four months) of the CY, not to exceed 10 CYs of post-secondary education. A person may choose not to exclude CYs that are eligible for insurable interest exclusion. For instance, a person farming while attending college classes may choose not to exclude that CY, even though it qualifies for the exclusion, and could still receive BFR benefits if they qualify as a BFR.

C. Exclusions from Insurable Interest (Continued)

Example 1: Parents provide 20 acres to their minor child to participate in a 4-H project and the child produced corn during four years of high school, 2022–2025, while under the age of 18. The insurable interest in the crop during these four years can be excluded as insurable interest for BFR.

Example 2: An individual held a 20 percent interest in a family corporation that raised corn while they attended a four-year college (fall and spring semesters beginning fall 2017 through spring 2021). In the summer of 2021, the individual returns home (still having a 20 percent interest in the family corporation) and takes over the family farm as an individual (family corporation is dissolved) for the 2022 CY and produces corn in 2022, 2023, and 2024. The individual has seven CYs of benefits remaining (farming experience for eight CYs (2017–2024) minus the insurable interest exclusion of five CYs (2017–2021) leaves three years counting and seven years remaining).

Example 3: Upon high school graduation in 2025, an individual decides to take over a portion of the family's farming operation in CY 2026 and attend classes at the community college. These classes meet the criteria for insurable interest exclusion.

(2) To determine whether an individual has an insurable interest in a crop or livestock in a CY and whether the CY can be excluded:

(a) the CY is when the person had a financial interest in a crop or livestock and is based on the actual crop or livestock produced, for:

(i) insurable crops and livestock: CY is SCD to EOI;

(ii) uninsurable crops: CY is planting date to harvest date; and

(iii) uninsurable livestock: CY is July 1 to June 30.

(b) any exclusion must meet criteria in (1) above (i.e., military, education, and 18 years old or younger exclusions).

(c) if the exclusion meets (b) and the exclusionary time overlaps the CY in (a), the CY may be excluded. There is not a minimum number of months in a calendar year in which an individual had to have interest in a crop or livestock must have been in place in order to consider it a year of having interest. A crop or livestock CY is counted as a year of an insurable interest in a crop or livestock if the person had a financial risk during the CY.

C. Exclusions from Insurable Interest (Continued)

Example 1: An individual attended college January through May 2025 and planted soybeans in June 2025. The SCD for the policy is March 15. The CY begins with the SCD and ends with the EOI. The student attended a semester of four months, which overlapped the CY, meeting the procedural criteria for exclusion. Since the individual met one of the exclusion criteria during the CY, the CY may be excluded.

Example 2: An individual was enrolled in college from September 2023 to June 2024 and produced corn in CYs 2023 and 2024. In this example, the corn CY begins on March 15 (SCD) and ends December 15 (EOI). The person met the four-month college exemption and the time attending college overlapped both the 2023 and 2024 CYs for corn; therefore, both CYs may be excluded.

Example 3: An individual was in college from September 2024 through June 2025 and during that time had a herd of beef cattle. In this example, the person met the four-month college exclusion, and the CYs are excluded as provided in the following table:

Commodity/CY	CY	College Exclusion	Overlap
Corn CY 2024	March 2024 to Dec 2024	Sept 2024 to June 2025	Yes
Corn CY 2025	March 2025 to Dec 2025	Sept 2024 to June 2025	Yes
Livestock CY 2025	June 2024 to June 2025	Sept 2024 to June 2025	Yes

Example 4: An individual having an interest in uninsurable livestock from December 2024 through January 2025 is considered one CY since the uninsurable livestock CY is July 1, 2024, to June 30, 2025.

Example 5: An individual having an interest in uninsurable livestock from March 2025 through August 2025 is considered two CYs since the uninsurable livestock CY in this example is July 1, 2025, to June 30, 2026.

Example 6: An insured has been an SBI in the family farm (Corporation A) prior to going to college and joining the military. After discharge from the military, the insured has decided to begin farming on their own.

C. Exclusions from Insurable Interest (Continued)

The table below shows the dates producing any crop or livestock.

From	To	CY	Type of Crop(s)/livestock
March 2013	November 2017	2013–2017	Corn
January 2018	December 2018	2018	Corn
August 2019	December 2020	2020	Wheat
January 2021	June 2022	2021, 2022	Cattle

The table below shows the dates and types of exclusion.

From	To	CY(s)	Type of Exclusion
July 1998	July 2016	1998–2016	Under 18
January 2017	May 2019	2017–2019	Military
August 2020	December 2020	2020	College

The insured identified an insurable interest in a crop or livestock for nine years, less the allowable exclusions for seven of the nine CYs. Therefore, the insured would be eligible for eight CYs of BFR benefits.

CYs Crop or Livestock Produced	Number of Years Producing Crop or Livestock	CYs Excluded	Number of Years Excluded	Number of Years Considered when Determining BFR
2013–2017	5	2013–2017	5	0
2018	1	2018	1	0
2020–2022	3	2020	1	2
Total Years	9		7	2

Note: Even though a BFR excludes CYs under the exclusion allowances, any production history for excluded CYs are included in the APH database, in accordance with APH procedures.

D. Nationwide Basis

BFR applies to individuals on a nationwide basis and not for each State, county, and crop/livestock. This means that if the crop or livestock is produced anywhere in the country and the individual has an insurable interest it counts toward BFR status.

E. New Producer Not Excluded

BFR does not prevent an insured from also qualifying as a new producer on a crop/county basis. Consult the applicable new producer procedures.

F. Limitation of BFR Benefit

Once an individual has 10 CYs of an insurable interest in any crop or livestock, including being an SBI in another person who has an insurable interest in any crop or livestock, the producer is no longer entitled to BFR benefits.

A CY in which BFR benefits are received cannot be excluded from insurable interest.

G. BFR Status is Continuous

BFR status is continuous once an individual elects and qualifies for BFR. BFR status ends only when the individual or, in the case of an entity, any one or more of the SBIs, has:

(1) actively operated and managed a farm or ranch in any county, in any State, with an insurable interest in any crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 10 CYs;

(2) exhausted all 10 CYs of BFR benefits; or

(3) canceled the BFR Application.

Note: When there is a Transfer of Coverage and Right to Indemnity, the BFR eligibility will continue on the policy for the year of transfer regardless of whether the transferee is a BFR and as such, the transferee would get the BFR subsidy unless it is determined that the Transfer of Coverage and Right to Indemnity is an attempt to circumvent BFR eligibility requirements.

Exception: If a BFR has previously exhausted five years of benefits, is now eligible for additional BFR benefits due to the definition change in the One Big Beautiful Bill Act (OBBBA) as provided in MGR-25-006, the application of those benefits is not retroactive to any previous year where the individual was not previously eligible for BFR benefits.

Example: An individual previously qualified and exhausted all five years of their BFR benefits in CY 2020 – CY 2024. The individual continued farming after their benefits had been exhausted. The years of benefits for BFR increased in CY 2026 from five years to 10 years and they are now eligible for four more years of BFR benefits. BFR benefits would not be retroactively applied to CY 2025 and only applied to crops and livestock endorsements for CY 2026 with a SCD of July 1, 2025, or later.

302 VFR Qualifications

A VFR is an individual who has served on active duty in the United States Armed Forces, including the Air Force, Army, Coast Guard, Marine Corps, Navy, or Space Force, and their reserve components, was discharged or released under conditions other than dishonorable, and:

(1) has not operated a farm or ranch;

(2) has operated a farm or ranch for not more than five years; or

(3) is a veteran who has first obtained status as a veteran during the most recent five-year period, even if that veteran has previously operated a farm or ranch for more than five years.

A person, other than an individual, may be eligible for VFR benefits if all SBI holders qualify individually as a VFR.

Exception: When a married couple are the only members of the person, then a veteran and non-veteran spouse are considered a VFR.

A. Must be a Veteran

To be a veteran, an individual must have:

(1) served in the United States Armed Forces, including the Air Force, Army, Coast Guard, Marine Corps, Navy, or Space Force, and their reserve components. Reserve components include the Air Force Reserve; the Army Reserve; the Coast Guard Reserve; the Marine Corps Reserve; the Navy Reserve; and the U.S. Army National Guard and Air National Guard;

(2) served in the active military, naval, air, or space service, which includes:

(a) active duty, which means:

(i) full-time duty in the Armed Forces, other than active duty for training;

(ii) full-time duty (other than for training purposes) as a commissioned officer of the Regular or Reserve Corps of the Public Health Service;

(A) on or after July 29, 1945,

(B) before that date under circumstances affording entitlement to "full military benefits," or

(C) at any time.

(iii) full-time duty as a commissioned officer of NOAA or its predecessor organization the Coast and Geodetic Survey;

(A) on or after July 29, 1945, or

(B) before that date:

1 while on transfer to one of the Armed Forces,

A. Must be a Veteran (Continued)

2 while, in time of war or national emergency declared by the President, assigned to duty on a project for one of the Armed Forces in an area determined by the Secretary of Defense to be of immediate military hazard, or

(C) in the Philippine Islands on December 7, 1941, and continuously in such islands thereafter, or

(D) at any time.

(iv) service as a cadet at the U.S. Military, Air Force, or Coast Guard Academy, or as a midshipman at the U.S. Naval Academy; and

(v) authorized travel to or from such duty or service;

(b) any period of active duty for training during which the individual concerned was disabled from a disease or injury incurred or aggravated in the line of duty; and

(c) any period of inactive duty training during which the individual concerned was disabled:

(i) from an injury incurred or aggravated in the line of duty; or

(ii) from an acute myocardial infarction, a cardiac arrest, or a cerebrovascular accident occurring during such training; and

(3) be discharged or released under conditions other than dishonorable including:

(a) retirement from the active military, naval, air, or space service, or

(b) the satisfactory completion of the period of active military, naval, air, or space service for which a person was obligated at the time of entry into such service in the case of a person who, due to enlistment or reenlistment, was not awarded a discharge or release from such period of service at the time of such completion of that service and who, at such time, would otherwise have been eligible for the award of a discharge or release under conditions other than dishonorable.

Exception: An entity that is not an individual and, therefore, cannot be a veteran may be eligible for VFR benefits only when all SBI holders in the entity qualify as a VFR, unless the SBI is a spouse of the veteran. In cases in which there is only a married couple, then a veteran and non-veteran spouse are considered a VFR.

Example 1: The insured has an individual-married (spousal) policy and is eligible for VFR benefits even if the spouse does not qualify as a VFR.

A. Must be a Veteran (Continued)

Example 2: The insured is a corporation whose only SBI is an individual who qualifies as a VFR. The corporation is eligible for VFR benefits until the individual no longer qualifies as a VFR or the corporation gains other SBI(s) who are not VFR(s).

Example 3: The insured is a veteran who insures their landlord's share on their policy. The landlord is not a veteran. Because the landlord is ineligible for VFR, the insured will also be ineligible for VFR if they insure the landlord's share.

Example 4: The insured is a partnership whose SBIs include an individual (who qualifies as a VFR) and a corporation, which has three SBIs who are individuals. The individuals with SBIs in the corporation must qualify as VFRs for the corporation to qualify for VFR benefits and subsequently the partnership to qualify for VFR benefits.

Example 5: The insured is an LLC whose SBIs are an individual who qualifies as VFR and spouse who is not a VFR. The LLC is eligible for VFR benefits until the individual no longer qualifies as a VFR.

B. Nationwide Basis

VFR applies to individuals on a nationwide basis and not for each State, county, and crop. This means that if the veteran is an operator on a farm or ranch anywhere in the country it will count when determining VFR status when VFR status is based on the number of years the veteran has operated a farm or ranch.

C. New Producer Not Excluded

VFR does not prevent an insured from also qualifying as a new producer on a crop/county basis. Consult the new producer procedures contained in the CIH Part 17 Sec. 3.

D. VFR Status is Continuous

VFR status is continuous once a veteran applies and qualifies for VFR. VFR status ends only when the VFR Application is canceled on or before the SCD or the veteran, or any one or more of the SBIs in the case of an entity (see Para. 302A for exception for spouses of VFRs), no longer qualifies as a VFR due to:

(1) operating a farm or ranch for more than five years when an individual qualified for VFR by operating a farm or ranch for not more than five years; or

(2) being first discharged from the Armed Forces for more than five years when an individual qualified for VFR by being first discharged from the Armed Forces for not more than five years.

D. VFR Status is Continuous (Continued)

Note: When there is a Transfer of Coverage and Right to Indemnity, the VFR eligibility will continue on the policy for the CY of transfer regardless of whether the transferee is a VFR and as such, the transferee would get the VFR subsidy, unless it is determined that the Transfer of Coverage and Right to Indemnity is an attempt to circumvent VFR eligibility requirements.

E. Insured qualifies for both VFR and BFR

An insured cannot receive benefits under VFR and BFR at the same time. If a VFR also qualifies as BFR, BFR benefits will apply since BFR benefits are equivalent or higher than VFR benefits. The BFR premium subsidy is higher in the initial years and benefits last longer than VFR (see Para. 306). However, an insured may receive VFR benefits after receiving and exhausting BFR benefits, if the insured subsequently meets the VFR qualification in Para. 302(3). Additionally, an insured may receive BFR benefits after receiving and exhausting VFR benefits, if the insured subsequently meets the BFR qualifications.

Example 1: Insured A qualified as a BFR and received BFR benefits from CY 2020 to CY 2029. Insured A subsequently served in active military duty in the United States Army and was discharged on July 1, 2034. For CY 2036, Insured A meets the VFR criteria as a veteran who has first obtained status as a veteran during the most recent five-year period, even if that veteran has previously operated a farm or ranch for more than five years. Insured A will be eligible to receive VFR benefits through June 30, 2039, provided other eligibility requirements are met.

Example 2: Insured B qualifies as a BFR and VFR by not having previously operated a farm or ranch. Since the BFR benefits are more beneficial, BFR status and benefits would apply.

Example 3: Insured C qualified as a BFR and received BFR benefits for CY 2015 and CY 2016 (two years). Insured C subsequently stopped farming and served in active military duty in the United States Navy, was discharged, and then received VFR benefits for CY 2021 through CY 2025 (five years). Insured C has farmed for a total of seven crop years and therefore, is considered a BFR for three additional years and is eligible for three additional years of BFR benefits. Since CY 2026 is the third year of BFR benefits, Insured C receives 13 percent premium subsidy. In CY 2027, the fourth year of BFR benefits, Insured C receives 11 percent premium subsidy. For CY 2028, the fifth year of BFR benefits and final year of BFR eligibility due to farming 10 years, Insured C receives 10 percent premium subsidy.

F. Limitation of VFR Benefit

An individual is no longer considered a VFR or entitled to VFR benefits if the individual has:

(1) operated a farm or ranch for more than five years, if VFR qualification is based on operating a farm or ranch for not more than five years; or

F. Limitation of VFR Benefits (Continued)

Note: Years of operating a farm or ranch cannot be excluded due to being under the age or 18, in full-time duty in active military service of the U.S. and/or in a post-secondary education program when determining VFR status.

(2) been discharged from active military service for more than five years if VFR qualification is based on being first discharged from active military service for not more than five years.

Note: The limitation of not more than five years after discharge is based on the first date of discharge if an individual has been discharged multiple times. The five-year time period does not start over if an individual returns to active-duty status and is subsequently discharged.

Example: Insured A is discharged from Army active military duty on July 19, 2020, and is now part of the Army National Guard. Insured A meets the VFR criteria of being discharged not more than five years from the date of first discharge. On June 14, 2022, their unit of the Army National Guard is activated by the President of the United States and stays in active-duty status until they are discharged on June 13, 2024. The date of discharge for determining Insured A's VFR status remains July 19, 2020, and their eligibility to receive VFR benefits will continue through July 18, 2025.

303 Requesting BFR or VFR

A. Deadline

To be eligible for BFR or VFR and have BFR or VFR status apply to the current CY, an individual must complete the BFR or VFR Application on or before the applicable SCD for the CY. ***

BFR or VFR status will not apply to any crops with a SCD prior to completion of the BFR or VFR Application. If an insured misses the deadline, the insured may request BFR or VFR by submitting a BFR or VFR Application on or before the next applicable SCD. For example, if an insured does not request BFR or VFR for a fall planted crop but does request and qualify for BFR or VFR on or before the spring SCD, the BFR or VFR would receive benefits for the spring crop but not the fall crop.

Example 1: In a dual SCD county, the insured has a wheat policy, and plants fall wheat and applies for BFR or VFR after the fall SCD but prior to the spring SCD. BFR or VFR benefits would not apply to spring wheat because changes cannot be made to the wheat policy after the fall SCD when fall wheat is planted.

Example 2: In a dual SCD county, the insured has a wheat policy, does not plant fall wheat and applies for BFR or VFR after the SCD but prior to the spring SCD. BFR or VFR benefits could apply to spring wheat.

B. Insureds with an EIN

If an insured is a person with an EIN, all individuals with an SBI in the insured must be qualified as a BFR for the insured to receive BFR benefits. Likewise, all individuals with an SBI in the insured with an EIN must be a VFR for the entity to receive VFR benefits (see Para. 302 for exception for spouses of VFRs). The business entity with an EIN does not complete a BFR or VFR Application. Each individual that is part of a policy, whether the insured or an SBI, must complete a separate BFR or VFR Application and must separately qualify as a BFR or VFR for the policy to receive BFR or VFR benefits. If an insured has a landlord/tenant policy, both must qualify as a BFR or VFR for the policy to be eligible for BFR or VFR benefits if the tenant/landlord will be insuring the other's share.

C. Documentation

(1) For BFRs, documentation for excluded years of insurable interest must be provided by the individual at the time of BFR Application. Such documentation may include a driver's license to substantiate age; military records to substantiate active military service; and transcripts to substantiate post-secondary education.

(2) For VFRs, documentation must be provided by the individual at the time of VFR Application. Such documentation for military records to substantiate active military service and discharge, include, but are not limited to:

(a) DD 214;

(b) DD 215 (corrected DD 214);

(c) DD 256 (Reservist);

(d) NGB 22 (National Guard or Air National Guard); and

(e) NGB 22a (corrected NGB 22).

Note: If qualifying for VFR by using the date of discharge as a qualifier and the individual has multiple dates of discharge, use the earliest date of discharge.

D. Application Only Required for Initial CY

The BFR or VFR Application is only required to be completed the initial CY that BFR or VFR is requested. The initial BFR or VFR Application will be used for subsequent CYs.

If the BFR or VFR has multiple policies with different AIPs for the same CY, only one BFR or VFR Application must be completed. However, the individual must provide a copy of that BFR or VFR Application to each AIP. The individual must also provide a copy of the BFR or VFR Application to any other AIP in subsequent CYs if the insured changes or adds new AIP(s), while the individual remains qualified as a BFR or VFR. See Para. 303E for when an amended BFR or VFR Application would be required.

D. Application Only Required for Initial CY (Continued)

The AIP that accepts the initial BFR or VFR Application must verify the BFR or VFR status (see Para. 304) and provide a copy of the BFR or VFR Application to any subsequent assuming AIP.

Following revisions under the OBBBA, as provided in MGR-25-006, beginning with CY 2026:

(1) a new BFR Application is not required for individuals currently receiving BFR benefits to continue to receive such benefits for up to 10 CYs, provided the individual continues to meet the BFR criteria. The individual's existing BFR Application and subsequent years of policy information will be used to determine any remaining benefits.

(2) a new BFR Application is not required for an individual who previously received BFR benefits, did not change AIPs, did not cancel their BFR Application, has not accumulated 10 years of interest in producing a crop or livestock, and otherwise continue to meet BFR criteria. The individual's existing BFR Application and subsequent years of policy information will be used to determine any remaining benefits.

(a) If the individual meets the criteria in Para. 303E requiring an amended BFR Application since they last received BFR benefits, they must complete a new or amended BFR Application.

(b) If the individual is with a different AIP than when they last received BFR benefits, they must provide the previously completed application to the new AIP. If that application is not available, they must complete a new BFR Application.

***

E. Reasons for Amending a BFR or VFR Application

An amended BFR or VFR Application is required to update the status of the BFR or VFR when there is:

(1) a change in the exclusions of insurable interest in any crop or livestock (BFR only);

(2) to correct any misreported information; or

(3) to elect to use a previous producer's APH, if was not elected on the initial BFR or VFR Application.

For example, when an insured in the Army Reserves goes on active duty or to correct any misreported information (e.g., a year of producing the crop was not reported).

See Para. 305E for more information regarding corrections.

A. Verification of Application

The AIP that accepts the BFR or VFR Application must verify BFR or VFR status no later than the ARD.

Exception: BFR or VFR status must be verified no later than 30 days after the applicable SCD for crops where the SCD and ARD are on the same date and no later than the applicable SCD for livestock products.

(1) For VFRs, AIPs must verify the individual:

(a) meets the definition of a veteran using documentation provided by the insured. See Para. 303C for acceptable documentation.

(b) has not been initially discharged from active military, naval, air, or space service for more than five years, if the individual qualifies as a VFR because they first obtained status as a veteran during the most recent five-year period. Use the same documentation as described in Para. 303C to verify the date of discharge.

Note: If qualifying for VFR by using the date of discharge as a qualifier and the individual has multiple dates of discharge, use the date of discharge from the earliest issued form to determine eligibility, unless the date of discharge is being corrected in later documentation.

(2) For a VFR, whose VFR status is based on operating a farm for no more than five years, or for a BFR, AIPs must verify the individual's BFR or VFR status.

(a) AIPs must use the RMA-provided tools (i.e., CIMS, Policyholder Tracking, CAE Hydra, or other subsequently developed tools) as part of the verification of the accuracy of an insured's certification of BFR or VFR status.

(b) In determining a BFR's or VFR's eligibility, the AIP must also consider the information reported by the individual on the BFR or VFR Application, such as crop production that was not insured that must be added to any experience found in RMA provided systems.

(c) Use of RMA-provided systems is sufficient to provide reasonable assurance for insurable interest in crops for BFR or for operating a farm or ranch for VFR when they support the information certified on the BFR or VFR Application.

(d) AIPs may use additional means to verify BFR or VFR status when warranted, such as when the information provided on the BFR or VFR Application is not consistent with RMA systems or AIPs have knowledge that does not support the BFR or VFR Application.

B. Subsequent Policies

For policies where the insured has previously submitted a BFR or VFR Application and has previously qualified for BFR or VFR status, AIPs must verify continued BFR or VFR eligibility for the current CY. RMA will maintain data reported by AIPs for BFR or VFR eligibility, such as the BFR or VFR Application information and BFR or VFR benefits obtained. AIPs may access RMA-maintained BFR or VFR information to verify whether an insured remains eligible for BFR or VFR benefits in the current CY, such as policyholder tracking system which would identify any prior years BFR or VFR benefits received (see Appendix III).

C. Documentation

AIPs must maintain documentation substantiating:

(1) for BFRs:

(a) the determination of BFR status in the insured's file. Supporting documentation may include underwriting verification from available RMA-provided systems, documents, or phone logs of conversations from county FSA offices, etc.

(b) the CY(s) of insurable interest exclusions in the insured's file. Supporting documentation may include a driver's license to substantiate age; military records to substantiate active military service; and transcripts to substantiate post-secondary education.

(2) for VFR, the determination of VFR status in the insured's file. Supporting documentation may include copies of the documents listed in Para. 303C(2), if used in making the determination of VFR status.

305 AIP Acceptance

A. Explanation of Statements

The AIP must ensure the qualification requirements and certification statements have been explained to the individual. AIPs must advise the individual of their responsibility to provide the approved BFR or VFR Application to any additional or subsequent AIPs.

B. Determining Number of Years of Benefits

(1) For BFR, using the information provided by the individual, the AIP must determine the number of eligible CYs for BFR benefits.

(a) To determine the number of eligible CYs:

(i) count the number of CYs in which the individual had an insurable interest in any crop or livestock;

(ii) subtract the eligible number of CYs excluded on the BFR Application; and

B. Determining Number of Years of Benefits (Continued)

(iii) subtract the resulting number from 10 (which is the maximum number of CYs for which BFR Benefits are available). This result is the number of remaining eligible CYs for BFR benefits.

(b) The AIP will identify on the BFR Application the number of eligible CYs for BFR benefits (see example provided in Para. 301C). The AIP must verify any CY exclusions based on the documentation outlined in Para. 304C.

(c) When a policy includes a named insured and one or more SBIs, each of the individuals must complete a separate BFR Application and each must separately qualify as a BFR. If all individuals qualify as BFRs, the insured will receive BFR benefits equal to the individual with the fewest number of remaining BFR benefit CYs.

Example 1: A partnership has two SBIs, both are individuals. Each SBI completes a BFR Application. The first SBI qualifies for four CYs of BFR benefits and the second SBI qualifies for two CYs of BFR benefits. The partnership policy is eligible for two CYs of BFR benefits.

Example 2: Both spouses on an individual - married policy complete a BFR Application. One spouse qualifies for five CYs of BFR benefits, and the other spouse qualifies for one CY of BFR benefits. The policy will be eligible to receive one CY of BFR benefits.

(2) For VFR, using the information provided by the individual, the AIP must determine the number of years the VFR will qualify for benefits. If qualifying for VFR based on:

(a) the number of years of operating a farm, count the number of years in which the individual operated a farm or ranch and subtract the resulting number from five. This result is the number of remaining eligible years for VFR benefits. For example, a veteran has operated a farm for three years (2017, 2018, 2019). The VFR is eligible to receive two years of VFR benefits through CY 2021.

(b) the date of first discharge from active military, naval, air, or space service in the Armed Forces, the insured is eligible for five years starting with the first SCD after the date of discharge. For example, an insured is discharged from the Army on October 31, 2019. The insured will be eligible to receive VFR benefits through October 30, 2024.

B. Determining Number of Years of Benefits (Continued)

Note: VFR benefits are limited to the first five years after the first date of discharge when eligibility is based on this qualifier, regardless of whether the VFR operates a farm or not. For example, the insured is discharged October 31, 2019, but doesn't farm until the 2022 CY, the insured is only eligible for the 2022–2024 CYs with SCD prior to October 30, 2024, for a total of three years of benefits.

(c) the AIP will identify on the VFR Application the number of eligible CYs for VFR benefits.

(d) when a policy includes a named insured and one or more SBIs, each of the individuals must complete a separate VFR Application and each must separately qualify as a VFR (see spousal exception in Para. 302). If all individuals qualify as VFRs, the insured will receive VFR benefits equal to the individual with the fewest number of remaining VFR benefit CYs.

C. Approving/Disapproving BFR or VFR Applications

The AIP must approve or reject the BFR or VFR Application no later than the ARD.

Exceptions: For those crops where the SCD and ARD are on the same date, the AIPs must approve or reject the BFR or VFR Application no later than 30 days after the SCD date. For livestock products, the AIPs must approve or reject the BFR or VFR Application no later than the SCD date.

If the individual does not qualify as a BFR or VFR or if any certified information is inaccurate and the inaccurate information was not corrected on or before the SCD, the AIP shall:

(1) notify the individual:

(a) they do not qualify as BFR or VFR, including the reason;

(b) that administrative fee(s) and any applicable premium must be paid in accordance with the policy terms, or the policy will be terminated, and the person will become ineligible for insurance coverage;

(c) of any changes to the approved yield due to non-BFR or VFR status;

(d) provide a copy of the notice to the insured, when the individual is not the named insured (e.g., the individual is an SBI to the insured); and

(2) terminate the policy and the individual becomes ineligible for insurance coverage, if the administrative fee and/or premium is not paid according to policy terms.

D. Submission of BFR or VFR Application

AIPs must submit the BFR or VFR Application to RMA's systems (see Appendix III).

Note: AIPs may only submit an Application for VFR or BFR Benefits. An insured is not eligible for both at the same time.

E. Inaccurate Information on Application

When the AIP determines any information on the BFR or VFR Application is inaccurate, the individual may amend the BFR or VFR Application and eligibility will be recalculated if the AIP determines there is no evidence of fraud or misrepresentation. In such instances, an amended BFR or VFR Application must be submitted to RMA when an initial BFR or VFR Application was previously submitted.

If the individual does not amend the BFR or VFR Application, the AIP must submit an amended BFR or VFR Application to RMA through PASS in accordance with Appendix III. Any penalties for misreporting, concealment, fraud, or misrepresentation under the terms of the policy may apply.

306 BFR and VFR Benefits

Although the application process and general benefits for a BFR or VFR are the same, the BFR premium subsidy and years of benefits are different from those for a VFR (10 years versus five years). Additionally, the qualifications and any applicable exceptions to receive BFR benefits or VFR benefits differ, thereby making the programs not interchangeable. This paragraph discusses benefits that apply for BFR and VFR.

A. Administrative Fee Waiver

All CAT and additional coverage policy's administrative fees will be waived.

B. Additional Premium Subsidy BFR

BFRs will receive an additional premium subsidy that is greater than the premium subsidy identified in the AD. Any plan of insurance with premium subsidy qualifies for the additional BFR premium subsidy.

The additional BFR premium subsidy amounts are as follows. During the:

(1) first and second year of BFR benefits, the BFR will receive 10 percentage points and an additional five percentage points for a total of 15 percentage points.

(2) third year of BFR benefits, the BFR will receive 10 percentage points and an additional three percentage points for a total of 13 percentage points.

(3) fourth year of BFR benefits, the BFR will receive 10 percentage points and an additional one percentage point for total of 11 percentage points.

B. Additional Premium Subsidy BFR (Continued)

(4) fifth year of BFR benefits through exhaustion of benefits, the BFR will receive a total of 10 percentage points.

C. Additional Premium Subsidy VFR

VFRs will receive an additional premium subsidy that is 10 percentage points greater than the premium subsidy identified in the AD. Any plan of insurance with premium subsidy qualifies for the additional VFR premium subsidy.

Note: An insured cannot receive BFR and VFR benefits at the same time (i.e., they are not entitled to two increases in premium subsidy). See Para. 302E if an insured qualifies for both VFR and BFR.

D. Use of Another Person's Production History

For CCIP policies, a BFR or VFR may use the previous producer's APH on any acreage obtained by the BFR or VFR when all the following apply:

(1) the BFR or VFR was previously involved in any farming or ranching operation, including involvement in the decision-making or physical involvement in the production of the crop or livestock on the farm or ranch;

(2) the acreage obtained by the BFR or VFR, has APH for the specific crop or livestock that the BFR or VFR was previously involved with; and

(3) the previous producer consents to the BFR or VFR using their APH for the specific acreage obtained by the BFR or VFR.

See CIH Para. 1508 for more information.

E. Increase in the Percent of T-Yield Used for YA

An increase, from 60 to 80 percent of the applicable T-Yield, in the substituted yield for YA when replacing a low actual yield due to an insured COL for CCIP policies (see CIH Part 16 Sec. 1 for more information).

307–400 (Reserved)

PART 4: NATIVE SOD AND CONSERVATION COMPLIANCE

Section 1: Native Sod

401 General Information

Provisions regarding native sod acreage are contained in the Agricultural Act of 2014 (2014 Farm Bill) and the Agriculture Improvement Act of 2018 (2018 Farm Bill). Native sod acreage tilled under the 2014 Farm Bill remains under the provisions of the 2014 Farm Bill, and native sod acreage tilled after enactment of the 2018 Farm Bill falls under the provisions of the 2018 Farm Bill. The 2014 Farm Bill was in effect from February 8, 2014, through December 20, 2018, and the 2018 Farm Bill took effect beginning on December 21, 2018. The following procedures are identified as to which Farm Bill(s) they are associated with.

402 Applicability of Native Sod Acreage (2014 Farm Bill)

These procedures apply to native sod acreage (see Para. 409 for acceptable documentation that may be used to substantiate that the acreage does not qualify as native sod acreage):

(1) tilled and planted for the production of an annual crop (see CIH Exh. 17N for a list of applicable annual crops) beginning February 8, 2014, and ending on December 20, 2018, for counties in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota;

(2) when more than five acres are tilled in the county, cumulatively across CYs (policy years for WFRP);

Example 1: In CY 2017, a producer tills four acres of native sod acreage and plants soybeans in County A. In CY 2018, the producer tills another two acres of native sod and plants corn in County A. Since the producer exceeded five native sod acres in CY 2018, all tilled native sod acreage in CY 2018 is subject to the reduction in benefits.

Any native sod acreage tilled by the producer in County A in subsequent CYs will be subject to the reduction in benefits.

Example 2: In CY 2017, a producer in County A tills four acres of native sod and plants winter wheat. The producer tills an additional two acres of native sod in the spring and plants corn. Since the producer exceeded five native sod acres during the CY, all acres are subject to the reduction in benefits, including the retroactive reduction in benefits to fall wheat.

(3) until the native sod acreage has four CYs (policy years for WFRP) of planting;

(4) regardless of whether the acreage is later transferred to a different person during the first four CYs (policy years for WFRP) of planting; and

(5) for the following insurance plans:

(a) ARPI Policy - Annual Crops;

(b) CCIP - Annual Crops;

(c) RI Plan - AF;

(d) SCO Endorsement; and

(e) WFRP Policy - Annual Crops.

403 Applicability of Native Sod Acreage (2018 Farm Bill)

These procedures apply to native sod acreage (see Para. 409 for acceptable documentation that may be used to substantiate that the acreage does not qualify as native sod acreage):

(1) tilled beginning December 21, 2018, for the production of an insured crop, for counties in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota;

(2) when more than five acres are tilled in the county, cumulatively across CYs (policy years for WFRP);

Example 1: In CY 2019, a producer tills four acres of native sod acreage and insures soybeans in County A. In CY 2020, the producer tills another two acres of native sod and insures corn in County A. Since the producer exceeded five native sod acres in CY 2020, all tilled native sod acreage in CY 2020 is subject to the reduction in benefits.

Any native sod acreage tilled by the producer in County A in subsequent CYs will be subject to the reduction in benefits.

Example 2: In CY 2020, a producer in County A tills four acres of native sod and insures winter wheat. The producer tills an additional two acres of native sod in the spring and insures corn. Since the producer exceeded five native sod acres during the CY, all acres are subject to the reduction in benefits, including the retroactive reduction in benefits to fall wheat.

(3) until the native sod acreage has four CYs (policy years for WFRP) of an insured crop within the first 10 CYs after initial tillage;

(4) regardless of whether the acreage is later transferred to a different person during the first four CYs (policy years for WFRP) of an insured crop within the first 10 CYs after initial tillage; and

(5) for all insurance plans, including the ARPI Policy, CCIP, RI Plan (excluding Apiculture and Rangeland that has not been tilled), WFRP Pilot Policy, and any applicable options and endorsements.

404 Insurability of Native Sod Acreage (2014 Farm Bill and 2018 Farm Bill)

For acreage tilled under the 2014 Farm Bill, if native sod acreage was uninsured the initial year the acreage was tilled and planted, these procedures will apply to the remaining three CYs of planting, provided the native sod acreage is insurable and the crop planted is insurable under the terms of the policy in the remaining three CYs of planting.

For acreage tilled under the 2018 Farm Bill, these procedures will apply until the native sod acreage has four CYs of an insured crop. If the native sod acreage does not have four CYs of an insured crop within the first 10 CYs after initial tillage of the native sod acreage, these procedures will no longer apply beginning with the 11th CY after initial tillage of the native sod acreage.

405 What Counts as a CY of Planting (2014 Farm Bill)

Any CY in which an annual, perennial, or biennial crop is planted on the native sod acreage, regardless of whether the crop is insurable, will count towards fulfilling the first four CYs of planting. A combination of annual and perennial/biennial crops may be utilized to fulfill the first four CYs of planting (as the perennial/biennial crops do not require planting each year, the years that the perennial/biennial crop remains on the acreage count as a CY of planting). Supporting documentation substantiating the planting of a perennial, biennial, uninsurable annual, or uninsured annual crop must be provided to the AIP by the producer to be able to count that year(s) as a CY of planting.

Example 1: A producer converts the native sod acreage to a perennial crop and leaves that crop for two CYs. In the third and fourth CY, the producer tills, and plants the acreage to an annual crop. For the third and fourth CY of planting, the annual crop is subject to the reduction in benefits.

Example 2: A producer converts the native sod acreage to an annual crop the initial CY. In the second CY, the producer tills, and plants the acreage to a perennial crop and leaves the perennial crop on the acreage for three CYs. The producer is subject to the reduction in benefits for the annual crop the first CY but is no longer subject to the reduction in benefits if converted to an annual crop after the three CYs the perennial crop remained on the acreage as the first four CYs of planting have been completed.

406 Partial Field Planting and Relation to a CY of Planting (2014 Farm Bill)

For purposes of fulfilling the first four CYs of planting, native sod will be tracked at the FN/Tract/Field (CLU) level. Any native sod acres within a CLU that are initially tilled and planted within a given CY will count as one of the first four CYs of planting for these acres. For the native sod acres that had initially been tilled and planted in a given CY, planting at least 50 percent of those same native sod acres in any subsequent CY continues to count as an additional year of planting for all native sod acres within a CLU. If, however, all native sod acreage within a CLU is not initially tilled and planted in a given CY, the first year the additional native sod acreage is tilled and planted starts the first four CYs of planting for those additional native sod acres.

Example 1: A producer has an 80-acre field (CLU) comprised completely of native sod acreage. In the initial year of tilling the native sod acreage, all 80 acres are planted to corn. In the second year, the producer plants the North 40 acres to soybeans and leaves the South 40 acres idle. In the third year, the producer plants the South 40 acres to corn and leaves the North 40 acres idle. In the fourth year, the producer plants all 80 acres to soybeans. All four years on the full 80 acres count towards fulfilling the first four CYs of planting.

Example 2: A producer has an 80-acre field (CLU) comprised completely of native sod acreage. In the initial year of tilling the native sod acreage, the North 40 acres are planted to corn, and the South 40 acres are not tilled. The North 40 acres begin counting the first four CYs of planting, but the South 40 acres will not begin counting the first four CYs of planting until those native sod acres are tilled and planted.

In the second year, if the South 40 acres are tilled and planted but the North 40 acres are not planted, the South 40 acres will count as the first year towards the first four CYs of planting requirement for those acres. The North 40 acres that were not planted in the second CY would still only have one year of planting count toward the four years.

407 What Counts as a CY of Insurance (2018 Farm Bill)

Any CY in which a crop is insured on the native sod acreage under an additional coverage policy will count toward fulfilling the four CYs of an insured crop (CAT coverage does not count as a CY of insurance toward the four CYs of an insured crop). A combination of annual and perennial/biennial crops may be utilized to fulfill the first four CYs of an insured crop. In addition, a year that the native sod acreage is insured but prevented from being planted will count toward fulfilling the four CYs of an insured crop.

Example: A producer tills native sod acreage in April 2019 and plants and insures wheat on this native sod acreage in the 2020 CY. In June 2020, the producer harvests the wheat and subsequently plants a perennial grass on the native sod acreage to insure under PRF. The producer insures the perennial grass under PRF for the 2021, 2022, and 2023 CYs. In the spring of 2024, the producer converts the perennial grass back to a spring crop and insures the spring crop. Since the producer insured the native sod acreage for the 2020, 2021, 2022, and 2023 CYs, the producer received the native sod reduction in benefits for four CYs. Beginning with the 2024 CY this acreage is no longer considered native sod and is not subject to the native sod reduction in benefits.

408 Native Sod Acreage Tracking (2014 Farm Bill and 2018 Farm Bill)

RMA will track native sod acreage using program indicator codes to determine when the insured exceeds five acres of native sod cumulatively, after which reduction in benefits will apply. The AIP is to report the program indicator code of “DM” on each native sod acreage line when the total cumulative native sod acreage is five acres or less in the county. In determining the cumulative native sod acreage, all native sod acreage tilled in the county since February 8, 2014, will be used to determine total native sod acreage tilled.

(1) For insureds that exceed five acres of tilled native sod acreage in the county since February 8, 2014:

(a) for the native sod acreage tilled under the 2014 Farm Bill (beginning February 8, 2014, and ending on December 20, 2018), the AIP is to report the program indicator code of "NS" on each native sod acreage line; and

(b) for any native sod acreage tilled under the 2018 Farm Bill (beginning on December 21, 2018), the AIP is to report the program indicator code of "N8" on each native sod acreage line and provide the year the native sod acreage was tilled.

(2) The appropriate program indicator code is reported for native sod acreage when the total cumulative native sod acreage is greater than five acres in the county, even if the producer did not exceed five native sod acres in the county for the current CY.

Example: An insured tills four native sod acres in the fall of 2018 which is under the 2014 Farm Bill and less than five cumulative native sod acres. The insured tills another two native sod acres in the spring of 2019, which now exceeds five cumulative tilled native sod acres while under the 2018 Farm Bill. Since the insured exceeded the five cumulative native sod acres, the four acres tilled under the 2014 Farm Bill are reported on an acreage line with program indicator code of "NS" while the two native sod acres tilled under the 2018 Farm Bill are reported on a separate acreage line with a program indicator code of "N8" and a breakout year of "2019."

(3) If the AIP incorrectly reports the program indicator code of "DM," PASS will notify the AIP of the error and will not accept the record until the correct program indicator code of "NS" or "N8" is reported.

409 Native Sod Documentation

(1) Native sod acreage is acreage that consists of all the following:

(a) acreage located in the States of Iowa, Minnesota, Montana, Nebraska, North Dakota, or South Dakota;

(b) acreage that has no record of being tilled to produce a crop on or prior to February 7, 2014; and

Note: To prove the requested acreage has been tilled on or prior to February 7, 2014, upon request, the insured must provide acceptable documentation. See (2) below for examples of acceptable documentation.

(c) the plant cover is composed principally (50 percent or more) of native grasses, grass-like plants, forbs, or shrubs suitable for grazing and browsing.

Note: In some situations, acreage may have no record of being tilled to produce a crop and may not contain plant cover as described above (e.g., timberland, old homesteads, etc.). For these situations, the insured may provide adequate evidence showing the plant cover does not meet the percentage requirements outlined above [e.g., dated photos with coordinates; dated maps/photos clearly showing the acreage; dated FSA maps identifying the FSA CLU Classification codes of the acreage as 01 urban, 04 forest, 05 water body, 10 Other Agriculture (barn, silo, etc.), etc.]. If the insured provides adequate evidence that the plant cover did not meet the above requirements on or prior to February 7, 2014, the acreage is classified as non-native sod.

Any acreage that does not consist of all the preceding will be classified as non-native sod acreage.

(2) All documentation must show that the acreage was tilled on or prior to February 7, 2014, to prove that the acreage is not classified as native sod. Acceptable documentation may include, but is not limited to (if available, the producer must provide USDA documentation, e.g., RMA CLU Schema, FSA, or NRCS provided documentation):

(a) an FSA-578 dated on or prior to February 7, 2014, showing the crop that was previously planted on the requested acreage (this is not limited to row crops; however, it must be a crop that requires the ground to be tilled in order to plant the crop);

(b) an FSA-578 dated on or prior to February 7, 2014, showing that the requested acreage is classified as cropland;

(c) an FSA-578 identifying the acreage with the letter “N” in the Native Sod column when a “Yes” is present in the Cropland column;

(d) FSA documentation showing the acreage has previously been enrolled in the FSA Conservation Reserve Program;

(e) a CLU Schema dated on or prior to February 7, 2014 (this is provided to the AIPs by RMA), presented in a map format that contains the FARMNUM, TRACTNUM, FIELDNUM, CLUCLASS (the cropland classification code is “2”), CALCACRE, and CIMSFILE information by field;

(f) an NRCS Form CPA-026e identifying the acreage with a “No” in the Sodbust column and a “Yes” in the HEL column;

(g) an NRCS Form CPA-026e identifying the acreage with a “Yes” in the Sodbust column and a determination date on or prior to February 7, 2014; or

(h) a CY’s precision agriculture planting records and/or raw data dated on or prior to February 7, 2014, provided such records meet the precision farming acreage reporting requirements set forth in the LAM Para. 721.

Note 1: In certain circumstances, the prior FSA-578 is not available to a producer new to the farm in the current year. For these cases, the current producer may obtain written documentation (including electronic correspondence, e.g., e-mails) from the servicing FSA county for the acreage, identified to the FN/Tract/Field number level, and whether the acreage was designated as cropland on or prior to February 7, 2014. Hard copy written documentation must be dated and signed by an FSA representative. Electronic correspondence must be dated, and the FSA representative must be identified.

Note 2: When using FSA or NRCS documentation, if the requested FSA FN/Tract/Field numbers do not match the submitted FSA or NRCS documentation because the FSA FN/Tract/Field numbers have been reconstituted, additional documentation (e.g., reconstitution paperwork) must be submitted to identify the reconstituted FSA FN/Tract/Field numbers.

(3) The following process may be used to help determine if the acreage is classified as native sod acreage. This determination is made for each field. Continue through the steps until the acreage is classified as either non-native sod acreage or native sod acreage.

(a) Is the acreage located in Iowa, Minnesota, Montana, Nebraska, North Dakota, or South Dakota?

(i) If no, the acreage is classified as non-native sod acreage.

(ii) If yes, proceed to (b).

(b) Did the producer provide acceptable documentation that the acreage had previously been tilled on or prior to February 7, 2014?

(i) If yes, the acreage is classified as non-native sod acreage.

(ii) If no, proceed to (c).

(c) Did the producer provide adequate evidence that the acreage was NOT composed principally of native grasses, grass-like plants, forbs, or shrubs suitable for grazing and browsing on or prior to February 7, 2014?

(i) If yes, the acreage is classified as non-native sod acreage.

(ii) If no, the acreage is classified as native sod acreage.

410–450 (Reserved)

451 Conservation Compliance Program Overview

A. HELC and WC

HELC and WC provisions aim to reduce soil loss on erosion-prone lands and to protect wetlands for the multiple benefits they provide. The Food Security Act of 1985, as amended by the Agricultural Act of 2014, provides that, unless exempted, persons are ineligible for any portion of the premium paid by FCIC for a policy or plan of insurance, including CAT policies, under the ACT if they:

(1) produce an agricultural commodity on a field that is determined to be highly erodible, as determined by NRCS, unless the production of an agricultural commodity on such land is in compliance with an approved conservation plan;

(2) plant an agricultural commodity on a wetland that was converted after February 7, 2014; or

(3) convert a wetland after February 7, 2014, by draining, dredging, filling, leveling, or any other means for the purpose, or to have the effect, of making the production of an agricultural commodity possible on such converted wetland.

For HELC and WC purposes, an "agricultural commodity" is any crop planted and produced by annual tilling of the soil, including one-trip planters and sugarcane. The provisions apply to eligibility for USDA benefits, including premium subsidy for Federal crop insurance, but the benefit itself does not have to be based on an agricultural commodity.

Example: Insured A's farming operation includes oats, wheat, corn, perennial native grass pasture, cattle, blueberries, and pears. Insured A insures all the commodities except oats and pasture. Insured A plants the oats on highly erodible land without a NRCS approved conservation plan for the land. Planting oats, an agricultural commodity, on highly erodible land without an approved conservation plan is a violation of the HELC provision. Insured A will be ineligible for premium subsidy on all policies, including wheat, corn, cattle, blueberries, and pears, because of the HELC violation.

See Para. 457 for exemptions that provide extra time to comply with HELC and WC provisions.

B. AIP and Agent Responsibility

AIPs and crop insurance agents cannot make any determinations regarding an insured's compliance with the HELC and WC provisions. In addition, AIPs and crop insurance agents cannot sign forms or documents, including form AD-1026, used to make HELC and WC determinations on behalf of an insured, unless they have a valid POA to act on behalf of the insured.

A. Eligibility for Crop Insurance

The HELC and WC provisions apply to the eligibility for Federal crop insurance premium subsidy paid by FCIC, not a person's eligibility to obtain crop insurance. A person may obtain crop insurance without being in compliance with the HELC and WC provisions but, such person will not be eligible for any premium subsidy on any policy or plan of insurance, including CAT policies.

B. Eligibility for Premium Subsidy

To be eligible for premium subsidy for any policy or plan of insurance, a person must:

(1) have a completed and signed form AD-1026, HELC and WC Certification, on file with the FSA for the RY on or before the premium billing date for their crop insurance policy;

(2) be in compliance with the HELC and WC provisions of the Food Security Act of 1985, as amended, and the regulations at 7 CFR Part 12; and

(3) pay any equitable contribution by the due date, if required by NRCS.

Any affiliated person (as determined by FSA in accordance with FSA's procedures) of a producer requesting benefits subject to HELC and WC provisions must also be in compliance with those provisions. If an affiliated person has a farming interest (as owner, operator, or other producer on any farm), the affiliated person must also file Form AD-1026 certifying compliance with HELC and WC provisions.

It is the person's responsibility to ensure they have a completed and signed form AD-1026 on file with FSA, and they are in compliance with the HELC and WC provisions. If a producer has an HELC or WC violation, eligibility for premium subsidy will be based on final determinations, including all administrative appeals, made by FSA and NRCS. Neither RMA, FCIC, AIP, or any employee, agent, or its contractors, will make any determination regarding whether a person has form AD-1026 on file or is in compliance with the HELC and WC provisions.

For HELC and WC purposes, administrative appeals include appeals made according to 7 CFR § 12.12, and appeals to NAD, but do not include any judicial review or appeal, or any other legal action.

See Para. 453 for information about form AD-1026 and exceptions to the AD-1026 certification requirement.

C. RY(s) of Ineligibility

RY means a one-year period beginning July 1 and ending on June 30 of the following year, identified by reference to the year containing June.

Unless an exemption applies, ineligibility for premium subsidy for a violation of the HELC or WC provisions will begin the first RY subsequent to the date of a final determination of a violation, including all administrative appeals.

C. RY(s) of Ineligibility (Continued)

Example: On March 9, 2018, NRCS determines Insured B is in violation of the HELC provisions and provides Insured B applicable appeal rights. On May 11, 2018, Insured B has exhausted all administrative appeals and the NRCS determination of a HELC violation is final. Insured B will be ineligible for premium subsidy on all policies and plans of insurance for the 2019 RY. That includes all policies with a SCD between July 1, 2018, and June 30, 2019.

See Para. 457 for situations when additional time is provided for persons to develop conservation or mitigation plans. See Para. 458 for exemptions that may result in a person remaining eligible for premium subsidy the subsequent RY after the date of a final determination of a violation.

453 Form AD-1026 Certification of Compliance

A. Certification of Compliance

Form AD-1026 is the form a person must complete, sign, and file with FSA to be eligible for premium subsidy on any policy or plan of insurance. The form is not farm or crop specific but covers all land in all States and counties in which the person has an interest. Therefore, a person only completes one form for all their acreage. Form AD-1026 is a continuous certification, which means that once it is accurately completed and filed with FSA, it remains effective and a person does not have to refile or update the form again, unless there are changes to the operation or new activities that occur or are planned to occur that affect the person's certification. See Para. 453B for more information about updating form AD-1026.

Each person seeking eligibility for premium subsidy must complete, sign, and file form AD-1026 with FSA.

Example 1: A producer has one farming operation they operate as an individual and another separate farming operation they operate as a corporation. The "individual" and the "corporation" are separate persons, each with a unique tax identification number. Each person, the individual and the corporation, must complete, sign, and file separate AD-1026 forms if each person wishes to be eligible for premium subsidy.

It is the person's responsibility to ensure they have an accurately completed and signed form AD-1026 on file with FSA. FSA will assist persons with completing and understanding form AD-1026 and its appendix.

A person must have a completed and signed form AD-1026 on file with FSA for the RY to be eligible for premium subsidy any policy or plan of insurance that falls within the RY. A person who does not have form AD-1026 on file with FSA on or before the premium billing date for their crop insurance policy will be ineligible for premium subsidy on such policy unless an exception applies, or USDA subsequently determines a form AD-1026 was timely filed for the RY.

A. Certification of Compliance (Continued)

Example 2: Producer B files form AD-1026 for the RY prior to the premium billing date for their 2018 RY policy. Producer B will be eligible for premium subsidy on their 2018 RY policy.

Example 3: Producer C does not have form AD-1026 on file with FSA as of the premium billing date for their 2018 RY policy. Producer C can purchase the 2018 RY policy; however, the producer will be ineligible for premium subsidy and will be billed the full unsubsidized premium amount for the policy.

Example 4: As of the premium billing date for producer D's 2018 RY policy, RMA could not confirm form AD-1026 was on file with FSA. Producer D will be billed full unsubsidized premium for the policy. However, producer D believes they have timely filed form AD-1026, and the AIP submits a review request to RMA in accordance with Para. 459. After further research, RMA is able to verify with FSA that form AD-1026 was timely filed for the 2018 RY. Producer D will be considered eligible for premium subsidy for the 2018 RY policy and the premium due will be revised to reflect premium subsidy.

Exception 1: A person who does not have form AD-1026 on file with FSA on or before the premium billing date for the RY may be eligible for premium subsidy if the person certifies they meet the conditions for person's new to farming, new to crop insurance, a new entity or have not previously been required to sign a form AD-1026. See Para. 455 for more information about this exception.

Exception 2: A person that has not filed an AD-1026 for the RY on or before the premium billing date may be eligible for premium subsidy for the RY if they provide information necessary for the person's filing of a form AD-1026 if the person:

(1) is unable to file a form AD-1026 due to circumstances beyond the person's control, as determined by FSA; or

(2) files form AD-1026 in good faith and FSA subsequently determines that additional information is needed, but the person is unable to comply due to circumstances beyond their control, as determined by FSA.

RMA will regularly obtain FSA's automated AD-1026 records indicating all persons who have a completed and signed form AD-1026 for the RY. Those records, in combination with FSA's HELC and WC compliance records, obtained from FSA prior to the beginning of the RY will determine a person's eligibility for premium subsidy for the RY. AIPs may obtain producers' premium eligibility status by July 1 and eligibility will be updated throughout the RY as updated AD-1026 filing information is obtained from FSA. Appendix III contains information on procedures for obtaining this information. See Para. 454 for information about FSA's HELC and WC compliance records.

B. Updating Previously Filed AD-1026

Form AD-1026 is a continuous certification, which means that once it is accurately completed and filed with FSA it remains effective, and a person does not have to refile or update the form unless there are changes to the operation or new activities that occur or are planned to occur that affect the person's certification. If a person is determined to be in violation of HELC or WC provisions and to have exhausted all administrative appeals or quit participating in USDA benefit programs, and changes are subsequently made to the operation to come into compliance, form AD-1026 must be updated and filed with FSA to regain eligibility for premium subsidy.

A person who fails to notify FSA of any change that could alter their status as compliant with the HELC or WC provisions and is subsequently determined, by FSA or NRCS, to have committed a violation of the WC provisions after June 1, 2015, will be required to pay NRCS an equitable contribution.

The amount of equitable contribution will be determined by NRCS based on the severity of the violation but will not exceed the total amount of Federal crop insurance premium subsidy paid by FCIC on behalf of the person for all policies and plans of insurance for all years in which the person is determined to have been in violation. A person who fails to pay the full equitable contribution amount by the due date determined by NRCS will be ineligible for premium subsidy on any policy or plan of insurance beginning with the subsequent RY. The person will be ineligible for premium subsidy for the entire RY even if full payment of the equitable contribution amount is received by NRCS during the RY.

454 HELC and WC Compliance Records

Compliance with the HELC and WC provisions is determined by FSA and NRCS. Determinations are recorded in FSA's automated HELC and WC compliance records. Each year RMA will obtain, between June 1 and July 1, a list of all producers who are ineligible for premium subsidy because of HELC and WC violation. Beginning July 1 of the RY, AIPs may request information on their insured's premium subsidy eligibility status. Information for requesting such information is contained in Appendix III.

It is the person's responsibility to ensure they are in compliance with the HELC and WC provisions. A person who is not in compliance with the HELC and WC provisions and has exhausted all administrative appeals at the time RMA receives FSA's automated HELC and WC compliance records, will be ineligible for premium subsidy on all policies and plans of insurance for the entire subsequent RY. See Para. 457 for situations when additional time is provided to comply with a conservation or mitigation plan, and Para. 458 for exemptions that may apply.

Example: Insured D has had form AD-1026 on file with FSA for several years. On March 9, 2018, NRCS determines Insured D is not complying with the approved conservation plan for their highly erodible land. On May 11, 2018, Insured D has exhausted all administrative appeals and the NRCS determination of a HELC violation is final. FSA updates their HELC and WC compliance records to indicate Insured D is not in compliance with the HELC provisions and all administrative appeals have been exhausted. Insured D will be ineligible for premium subsidy on all policies and plans of insurance for the 2019 RY.

455 Exception to the AD-1026 Requirement

A person must have a completed and signed form AD-1026 on file with FSA on or before the premium billing date for the RY to be eligible for premium subsidy on any policy or plan of insurance that falls within that RY. However, a person who certifies they meet the conditions for persons new to farming, new to crop insurance, a new entity, or have not previously been required to sign an AD-1026 will be considered eligible for premium subsidy for the initial RY to allow adequate time to properly file an AD-1026.

A person (individual or legal entity) who meets the exception criteria must sign the applicable conservation compliance certification statement to be eligible for this one-time exception. The conservation compliance certification statement must be signed by the later of the premium billing date or 60 days after a transfer is approved for transferees who are the beneficiaries of a Transfer of Coverage and Right to Indemnity or because of death, disappearance, or determined judicially incompetent.

AIPs are not responsible for verifying the person meets the terms of the statement, but the AIP must advise the insured they must sign one of the applicable statements to qualify for the exception. The insured is solely responsible for the accuracy of their certification.

AIPs must maintain the signed conservation compliance certification statement in accordance with SRA record retention requirements. AIPs are not required to request additional information or documentation to verify the certification. The conservation compliance certification statement selected by the insured will be communicated to RMA in accordance with procedures contained in Appendix III. FSA does not review or approve these conservation compliance certification statements and cannot provide any relief for failure to timely sign. See the DSSH for the applicable conservation compliance certification statements that must be signed by those eligible for the exception.

For a person who signs an applicable compliance conservation certification statement for a given RY to remain eligible for premium subsidy in a subsequent RY, the person must file form AD-1026 certifying compliance with HELC and WC at a USDA Service Center FSA office for the subsequent RY. Form AD-1026, which can be found at www.farmers.gov/sites/default/files/documents/Form-AD1026-Highly-Erodible-Land.pdf, should be provided to the person at the same time an applicable conservation compliance certification statement is provided. The person should be advised that the AD-1026 must be filed at the person's local USDA Service Center FSA office, which can be found at www.farmers.gov/working-with-us/service-center-locator.

456 SBIs, Landlord/Tenant Policies, Transfers of Coverage, and Death/Disappearance/Judicially Declared Incompetence of Named Insured

A. Reduced Premium Subsidy for Ineligible SBI Holder

An SBI is not required to complete an AD-1026 unless they are determined to be an affiliated person by FSA in accordance with FSA's procedures. However, an insured person's premium subsidy will be reduced when any person with an SBI in the insured person is not in compliance with the HELC and WC provisions. The amount of reduction will be commensurate with the SBI held in the insured person. The amount of interest held in the insured person will be determined according to the policy provisions of the insured person.

A. Reduced Premium Subsidy for Ineligible SBI Holder (Continued)

Example: Insured E has four SBIs, each with a 25 percent interest. Insured E has a completed and signed form AD-1026 on file and is in compliance with the HELC and WC provisions. However, one of the SBI holders is not in compliance with the HELC or WC provisions. Insured E's premium subsidy amount for that policy will be reduced by 25 percent.

B. Ineligible Landlord or Tenant on a Landlord/Tenant Policy

A person may insure their landlord's or tenant's, as applicable, share on the insured's policy. The Application must clearly state the tenant will insure the landlord's share or the landlord will insure the tenant's share. Landlords/tenants are to be reported on the insured's policy as an SBI. The landlord/tenant and the applicable identification number must be listed on the insured person's Application even if their share is less than 10 percent.

The landlord or tenant, as applicable, being insured on the other's policy will be reported as a landlord/tenant type SBI on the insured person's policy. The named insured's premium subsidy will be reduced on the policy for which the landlord/tenant is insured when the landlord/tenant, as applicable, is not in compliance with the HELC and WC provisions.

The amount of reduction will be commensurate with the ineligible person's share listed on the Application. It is the person's responsibility to ensure they are in compliance with the HELC and WC provisions.

Example: Tenant A insures Landlord B's share of the crop on Tenant A's policy. Landlord B is listed as an SBI with 25 percent share. Tenant A has a completed and signed form AD-1026 on file and is in compliance with the HELC and WC provisions. Landlord B is not in compliance with the HELC or WC provisions because of a violation on another piece of land. Tenant A's premium subsidy amount for that policy will be reduced by 25 percent.

C. Transfer of Coverage and Right to an Indemnity

A Transfer of Coverage and Right to an Indemnity is used to transfer insurance coverage and the right to any subsequent indemnity from one insured person to another person. Both the transferor and transferee must have form AD-1026 on file with FSA for the RY (unless the transferor or transferee is eligible for and signs the applicable conservation compliance certification statement in accordance with Para. 455), and both must be in compliance with the HELC and WC provisions for either to be eligible for premium subsidy on the portion of the policy that is transferred.

D. Death/Disappearance/Judicially Declared Incompetence for Married Individuals

See Para. 231 for details on impact to a policy for a married individual when the named insured dies, disappears or is judicially declared incompetent.

If a married individual and named insured dies, disappears, or is judicially declared incompetent…	Then for Current RY Premium Subsidy Eligibility…	And for Subsequent RY Premium Subsidy Eligibility…
and spouse is an SBI, has a share in crop, and the named insured's share does not convert to an estate or is not legally transferred to a person other than a spouse,	the policy defaults to the surviving spouse and the original named insured must have timely filed Form AD-1026 for the RY or signed the applicable conservation compliance certification statement,	the surviving spouse must have timely filed Form AD-1026 for the RY or signed the applicable conservation compliance certification statement.
30 days or less before the cancellation date and spouse is not an SBI, spouse does not have a share in the crop, or the named insured's share converts to an estate or is legally transferred to a beneficiary other than the spouse,	the policy remains under the named insured until the end of the current CY (unless canceled prior to the cancellation date - see Para. 231B) and the named insured must have timely filed Form AD-1026 for the RY or signed the applicable conservation compliance certification statement,	the policy is canceled as of the cancellation date and if the spouse submits a new Application for the subsequent CY, they must have timely filed Form AD-1026 for the RY or signed the applicable conservation compliance certification statement.
more than 30 days before cancellation date and spouse is not an SBI, spouse does not have a share in the crop, or the named insured's share converts to an estate or is legally transferred to a beneficiary other than the spouse,	the policy is canceled and if the spouse submits a new Application on or before the SCD, the spouse must have timely filed Form AD-1026 for the R or signed the applicable conservation compliance certification statement,	if the spouse will continue coverage under the new policy for the subsequent CY, they must have timely filed Form AD-1026 for the RY.

A. Persons Subject to HELC for the First Time

Persons subject to the HELC provisions for the first time solely due to the Agricultural Act of 2014 will have five RYs, as provided in 7 CFR Part 12, to develop and comply with a conservation plan approved by NRCS before being ineligible for premium subsidy. The additional time to develop and comply with a conservation plan approved by NRCS applies only to persons who were not previously subject to the HELC provisions. The additional time does not apply to any person who had any interest in any land or crop, including an affiliated person (as determined by FSA in accordance with FSA's procedures), which was subject to the HELC provisions before February 7, 2014.

The beginning date of the five-RY period depends on whether a highly erodible land determination was made on any of the land in the person's farming operation and whether administrative appeal rights have been exhausted for that determination. The five-RY period begins:

(1) for persons who have no land with an NRCS highly erodible land determination, the start of the RY (July 1) following the date NRCS makes a highly erodible land determination, and the person exhausts all their administrative appeals, if applicable; or

(2) for persons who have any land for which a NRCS highly erodible land determination has been made, and all administrative appeals have been exhausted, the start of the RY (July 1) following the date the person certifies compliance with FSA by filing a completed and signed form AD-1026.

A person can certify on form AD-1026 that filing the form represents the first time the person has been subject to the HELC and WC provisions. FSA will review historical FSA records to determine if the person was ever subject to the HELC provisions, including as an affiliated person (as determined by FSA in accordance with FSA's procedures). FSA and NRCS will make all needed determinations and verifications. FSA will provide the needed information to RMA. RMA will provide the person's status to the AIP as specified in Appendix III.

Example: Insured F has not had any interest in any land or crop, including as an affiliated person (as determined by FSA in accordance with FSA's procedures), that was subject to the HELC provisions prior to February 7, 2014. The sole reason Insured F is now subject to the HELC provisions is because of the Agricultural Act of 2014. Insured F checks item 8A on form AD-1026, and FSA determines, based on a review of historical records, Insured F was not subject to the provisions prior to February 7, 2014. Insured F will have five RYs to develop and comply with a conservation plan approved by NRCS, if a conservation plan is needed, before being ineligible for premium subsidies. If Insured F has exhausted all their administrative appeals on February 15, 2016, following NRCS's highly erodible land determination, the five RYs starts July 1, 2016.

B. Persons with Prior HELC Violations

Persons who meet all the following criteria, as determined by FSA, will have two RYs, as provided in 7 CFR Part 12, to develop and comply with a conservation plan approved by NRCS before being ineligible for premium subsidy.

(1) The person was subject to the HELC provisions any time before February 7, 2014.

(2) Before February 7, 2014, the person stopped participating in all USDA programs subject to the HELC provisions.

(3) The person would have been in violation of the HELC provisions had they continued to participate in those programs after February 7, 2014.

(4) The person is currently in violation of the HELC provisions.

The additional time to develop and comply with a conservation plan approved by NRCS applies only to persons who meet all the criteria. Such persons must consult with FSA to make necessary updates to their AD-1026. FSA and NRCS will make all needed determinations and verifications. FSA will provide the needed information to RMA.

The two RYs begins the start of the RY (July 1) following the date the person certifies compliance with FSA by filing a completed and signed form AD-1026.

Example: Insured G was previously participating in USDA programs that were subject to HELC provisions but stopped participating in all USDA programs subject to HELC provisions in 2012. Insured G would have been in violation of the HELC provisions had they continued to participate in those programs after February 7, 2014, and is currently in violation of the HELC provisions. Insured G consults with the FSA county office to update the AD-1026. Insured G will remain eligible for premium subsidy through the 2017 RY while they develop and comply with an NRCS-approved conservation plan.

C. Persons Subject to WC for the First Time

A person determined in violation of the WC provisions for converting a wetland after February 7, 2014, will have two RYs after the final determination of violation, including all administrative appeals, to implement all practices in a mitigation plan to remedy the violation before becoming ineligible for premium subsidy, if the person is subject to the WC provisions for the first time solely due to the Agricultural Act of 2014. The additional time to implement all practices applies only to persons who were not previously subject to the WC provisions before February 7, 2014.

Only NRCS can:

(1) determine if a person converted a wetland after February 7, 2014;

(2) provide the date such determination is final, including all administrative appeals; and

C. Persons Subject to WC for the First Time (Continued)

(3) determine if a person is implementing all practices in a mitigation plan.

NRCS will provide all needed information to FSA, and FSA will provide it to RMA.

Example: Insured H has not had any interest in any land or crop, including as an affiliated person (as determined by FSA in accordance with FSA's procedures), that was subject to the WC provisions prior to February 7, 2014. The sole reason Insured G is now subject to the WC provisions is because of the Agricultural Act of 2014. Insured G checks item 8A on form AD-1026, and FSA determines, based on a review of historical records, Insured G was not subject to the provisions prior to February 7, 2014. Insured G converted a wetland on March 21, 2015. On August 9, 2015, following the final determination of violation, insured G has exhausted all administrative appeals. Insured G will remain eligible for two RYs beginning with the 2017 RY to implement all practices in a mitigation plan to remedy the violation.

D. Persons Previously Subject to WC

A person who was subject to the WC provisions before February 7, 2014, and who is determined in violation of the WC provisions for converting a wetland after February 7, 2014, will have one RY after the final determination of violation, including all administrative appeals, to initiate a mitigation plan to remedy the violation before becoming ineligible for premium subsidy.

Only NRCS can:

(1) determine if a person converted a wetland after February 7, 2014;

(2) provide the date such determination is final, including all administrative appeals; and

(3) determine if a person initiated a mitigation plan to remedy the violation.

NRCS will provide all needed information to FSA, and FSA will provide it to RMA.

Example: Insured G was subject to the WC provisions prior to February 7, 2014. NRCS determines that on August 6, 2015, Insured G converted a wetland. On May 9, 2017, Insured G has exhausted all administrative appeals and the NRCS determination of a wetland conversion violation is final. Insured G has until June 30, 2018, to initiate a mitigation plan to remedy the violation before becoming ineligible for premium subsidies starting with the 2019 RY.

458 Exemptions

FSA, NRCS, or RMA, as applicable, will notify the person and, if applicable, RMA when any of the following exemptions have been approved. Appendix III contains the process that AIPs will use for determining a person's status after an exemption has been approved.

A. Good Faith Relief for HELC Violations

A person who violates the HELC provisions may remain eligible for premium subsidy if good faith relief is approved by FSA. If FSA approves good faith relief, the person remains eligible for premium subsidy, but USDA program benefits the person would otherwise be eligible to receive for the CY in violation will be reduced or they may be required to repay an amount determined by FSA.

As a condition of good faith relief, the person must implement the measures and practices necessary to be considered to be actively applying the NRCS approved conservation plan within the period of time required by NRCS. The maximum period of time allowed by statute is one year. A second good faith relief determination cannot be granted on the same violation to extend the one-year maximum period to apply the conservation plan.

Only FSA, in consultation with NRCS, can approve good faith relief.

B. Good Faith Relief for WC Violations

A person who violates the WC provisions may remain eligible for premium subsidy if good faith relief is approved by FSA. As a condition of good faith relief, the person must implement all practices in the NRCS approved mitigation plan to remedy or mitigate the violation. The maximum period of time allowed by statute for crop insurance premium subsidy eligibility purposes is two RYs. A second good faith relief determination cannot be granted on the same violation to extend the two-year maximum period to remedy or mitigate the violation.

Only FSA, in consultation with NRCS, can approve good faith relief.

C. Wetland Conversions Impacting Less than Five Acres

In lieu of ineligibility for premium subsidy due to a wetland conversion occurring after February 7, 2014, for wetland conversion that impacts less than five acres of an entire farm, if approved by NRCS, a person may pay a contribution to NRCS in an amount equal to 150 percent of the cost of mitigating the converted wetland.

Only NRCS can:

(1) determine if a person is eligible for this exemption;

(2) determine the amount the person must pay to meet this exemption; and

(3) collect the in-lieu of payment from the person.

A person may use this exemption only one time per farm, as determined by NRCS. NRCS will provide all needed information to FSA, and FSA will provide it to RMA.

D. Wetland Conversion Exemption for Policies Available for First Time

(1) A person may be eligible for premium subsidy on a policy or plan of insurance for an agricultural commodity with a wetland conversion violation if the:

D. Wetland Conversion Exemption for Policies Available for First Time (Continued)

(a) policy or plan of insurance became available to the person for the first time after February 7, 2014, as determined by RMA;

(b) wetland conversion occurred, as determined by NRCS, after February 7, 2014, and before the policy or plan of insurance became available to the person for the first time (e.g., prior to the SCD for the new policy or plan of insurance); and

(c) person takes steps necessary, as determined by NRCS, to mitigate all wetlands converted after February 7, 2014, in a timely manner, as determined by NRCS, but not to exceed two RYs.

(2) This exemption applies only to the policy or plan of insurance that becomes available to the person for the first time after February 7, 2014, as determined by RMA, and does not exempt or otherwise negate the person's ineligibility for premium subsidy on any other policy or plan of insurance.

(3) For the purposes of this exemption, a policy or plan of insurance is considered to have been available to the person if after February 7, 2014, in any county in which the person had any interest in any acreage, including as an SBI holder, if:

(a) there was a policy or plan of insurance available on the county AD that provided coverage for the agricultural commodity; or

(b) the person obtained a WA to insure the agricultural commodity in any county.

(4) This exemption does not apply to group or area policies or plans of insurance that cover more than one commodity, such as WFRP and RI. Changing, adding, or removing options, endorsements, or coverage to an existing policy or plan of insurance will not be considered as a policy or plan of insurance being available for the first time to a person. If it is believed that this exemption may apply, the AIP may submit a review request through the CRM Issue Log in accordance with Para. 459. In addition to the information required in Para. 459, include a statement that the request is being submitted for review to determine if the producer meets the "Wetland Conversion Exemption for Policies Available for First Time" as well as the crop, county, and plan of insurance for which the exemption is being requested.

(5) If an insured converted a wetland after February 7, 2014, but before the SCD for a new policy or plan of insurance and is taking steps necessary, as determined by NRCS, to mitigate the wetland, the AIP may submit a request through the CRM-Issue Log for reinstatement of premium subsidy eligibility for the policy by providing the following information:

(a) producer policy number;

(b) name of the policy/plan of insurance, crop, county, and State;

(c) date the wetland was converted; and

D. Wetland Conversion Exemption for Policies Available for First Time (Continued)

(d) the NRCS office which determined the wetland had been converted.

(6) Information about transmitting data regarding persons who may meet this exception is provided in Appendix III.

E. Tenant HELC or WC Planting Exemption - Landlord Refusal

(1) This exemption:

(a) applies only to tenants, operators, or sharecroppers;

(b) applies only to HELC violations and violations for planting or producing an agricultural commodity on a wetland converted after February 7, 2014; and

(c) when applied, results in a reduction in the amount of premium subsidy on all policies and plans of insurance of the tenant/operator/sharecropper rather than ineligibility for all premium subsidy on all policies and plans of insurance.

(2) To be eligible for the exemption, the tenant/operator/sharecropper must establish, to FSA's satisfaction, that:

(a) a conservation or mitigation plan, as applicable, approved by NRCS was obtained for the land;

(b) the landlord refuses to allow the tenant/operator/sharecropper to comply with the plan;

(c) the tenant/operator/sharecropper made a good faith effort to meet the HELC or WC, as applicable, provisions;

(d) the lack of compliance is not part of a scheme or device to avoid compliance with the HELC and WC provisions, as determined by FSA; and

(e) the tenant/operator/sharecropper actively applies the practices and measures of the approved conservation or mitigation plan, as applicable, which are within their control.

(3) Only FSA, in consultation with NRCS, can determine whether a person meets the requirements for this exemption.

(a) If FSA approves a person for this exemption, the amount of premium subsidy on all the person's policies and plans of insurance will be reduced instead of the person being ineligible for all premium subsidy on all policies and plans of insurance.

E. Tenant HELC or WC Planting Exemption - Landlord Refusal (Continued)

(b) The percentage reduction will be determined by comparing the total number of cropland acres on the farm on which the violation occurred to the total number of cropland acres on all farms in which the tenant/operator/sharecropper has an interest, as determined by FSA.

(c) The farms and cropland acres used to determine the premium subsidy reduction percentage will be the farms and cropland acres of the tenant/operator/sharecropper for the RY in which they are determined ineligible. However, the percentage reduction will be applied to all policies and plans of insurance of the tenant/operator/sharecropper in the RY subsequent to the RY in which they are determined ineligible.

(d) If the landlord and tenant/operator/sharecropper are insured under the same policy, the tenant/operator/sharecropper will be ineligible for premium subsidy on that policy in lieu of a percentage reduction on that policy.

(4) FSA will notify RMA when a person meets this exemption and provide the necessary information for determining the percentage reduction.

F. Landlord Exemption - HELC or WC Planting Violation

(1) This exemption:

(a) applies only to landlords/landowners;

(b) applies only HELC violations and violations for planting or producing an agricultural commodity on a wetland converted after February 7, 2014; **and**

(c) when applied, results in a reduction in the amount of premium subsidy on all policies and plans of insurance of the landlord/landowner rather than ineligibility for all premium subsidy on all policies and plans of insurance.

(2) This exemption **will not apply** if the:

(a) production of an agricultural commodity on highly erodible land or on a converted wetland by the tenant/operator/sharecropper is required under the terms and conditions of the agreement between the landlord and such tenant/operator/ sharecropper and such agreement was entered into after December 23, 1985; **or**

(b) landlord has acquiesced in such activities by the tenant/operator/sharecropper.

F. Landlord Exemption - HELC or WC Planting Violation (Continued)

(3) Only FSA, in consultation with NRCS, can determine whether a person meets the requirements for this exemption.

(a) If FSA approves a person for this exemption, the amount of premium subsidy on all the person's policies and plans of insurance will be reduced instead of the person being ineligible for all premium subsidy on all policies and plans of insurance.

(b) The percentage reduction will be determined by comparing the total number of cropland acres on the farm on which the violation occurred to the total number of cropland acres on all farms in which the landlord/landowner has an interest, as determined by FSA.

(c) The farms and cropland acres used to determine the premium subsidy reduction percentage will be the farms and cropland acres of the landlord/landowner for the RY in which they are determined ineligible. However, the percentage reduction will be applied to all policies and plans of insurance of the landlord/landowner in the RY subsequent to the RY in which they are determined ineligible.

(d) If the landlord/landowner and tenant/operator/sharecropper are insured under the same policy, the landlord/landowner will be ineligible for premium subsidy on that policy in lieu of a percentage reduction on that policy.

(4) FSA will notify RMA when a person meets this exemption and provide the necessary information for determining the percentage reduction.

G. Landlord/Tenant Examples

Assume: Landlord A has Farm 1 (200 acres) and 2 (100 acres). Tenant B has Farm 3 (400 acres), plus 50% sharecrop agreement on Farm 2.

If...	Then...
Farm 1 is out of compliance and A and B are both on individual policies	A can receive no premium subsidy, B can receive full premium subsidy
Farm 1 is out of compliance and A and B are both on individual policies on their own land, but have a landlord tenant policy covering Farm 2	A can receive no premium subsidy on the individual policy, B can receive full premium subsidy on the individual policy, and the Landlord tenant policy premium subsidy is reduced by 50% due to SBI ineligibility (6B)
Farm 2 is out of compliance and A and B are both on individual policies on their own land, but have a landlord tenant policy covering Farm 2, no FSA tenant relief granted	No premium subsidy can be received on any policy (A and B are both out of compliance)

G. Landlord/Tenant Examples (Continued)

If...	Then...
Farm 2 is out of compliance and A and B are both on individual policies on their own land, but have a landlord tenant policy covering Farm 2, FSA tenant relief is granted for B at a 20% reduction [100 ÷ (100 + 400)]	A can receive no premium subsidy on the individual policy, B can receive 80% premium subsidy on the individual policy (100% - 20% reduction) for Farm 3, and the Landlord/tenant policy receives no premium subsidy (8E)
Farm 2 is out of compliance and A and B are both on individual policies, FSA tenant relief is granted for B at a 20% reduction [100 ÷ (100 + 400)]	A can receive no premium subsidy, B can receive 80% premium subsidy on both policies (Farm 3 and their 50% share on Farm 2)

459 Determining Eligibility and Requesting Review of Information

A person's eligibility for premium subsidy is based on information obtained from FSA and NRCS. AIPs can inquire about a producer's status using the CRM - Issue Log. AIPs can also submit an error resolution request to RMA through the CRM - Issue Log when a policyholder questions whether there has been a transmission or processing error that may have resulted in an incorrect determination of the person's premium subsidy eligibility. AIPs should allow 30 days after the producer filed the AD-1026 before initiating a review request.

Producers and AIPs may not dispute or appeal to RMA any determination of compliance made by FSA or NRCS that are due to HELC or WC violations. Producers should dispute or appeal such compliance determinations directly with FSA or NRCS, as applicable. Insureds cannot seek arbitration or legal proceedings under the crop insurance policy because of a determination of ineligibility of premium subsidy. To request access to the CRM - Issue Log, send an email containing your full name, AIP affiliation, and reason access is needed to RMAITServiceDesk@usda.gov and copy Conservation@usda.gov. Include a completed Form FCIC-586C along with the request (Form FCIC-586C may be obtained from the RMA IT Service Desk, if needed).

A unique ticket must be generated for each producer for whom you are requesting a review. Select "Conservation Compliance" from the dropdown list as the Issue Type when creating a ticket. When requesting a review, the AIP must provide all the following to RMA, at a minimum:

(1) the policyholder name (First, Last, Business, etc., as applicable) used to file form AD-1026 with FSA must be included as the first entry in the Issue Title field;

(2) the AIP Policy Number(s) (seven-digit number, use leading zeros if less than seven) for the person as submitted to RMA per the Appendix III;

(3) the Tax Identification Number - The CRM - Issue log is a secure method for sending personally identifiable information. **IMPORTANT: DO NOT SEND TAX IDENTIFICATION NUMBERS TO THE CONSERVATION@USDA.GOV EMAIL**;

(4) tax ID Type Code;

(5) the RY(s) for which the request is being submitted; and

(6) include the following information in the Description field:

(a) the FSA county office where from AD-1026 is filed;

(b) the date the policyholder signed form AD-1026, if known (if the exact date is unknown provide an approximate date and denote it as such); and

(c) a brief description of why the policyholder believes the information is erroneous and any other facts/context that could assist in researching the issue.

Once all information is provided, RMA will perform a review of the applicable data for potential errors in interagency data sharing and data processing. Once the review is complete, the AIP will be notified of the results and any applicable changes or actions taken by RMA, FSA, or NRCS.

Example: Insured I is informed they are not eligible for premium subsidy because they do not have form AD-1026 on file with FSA. Insured I believes they do have a properly completed and signed AD-1026 on file with FSA. Insured I provides their AIP their name, county office where they filed form AD-1026, date they signed form AD-1026, and a short description of why they believe the data RMA has is erroneous. The AIP then creates a ticket within the CRM - Issue Log for RMA to review the applicable records received from FSA and NRCS. RMA will review the applicable data and notify AIP of the findings, and any actions or changes made to the policyholder's data, if applicable.

460–500 (Reserved)

PART 5: CORRECTION OF ERRORS

501 Authority to Correct Errors

A. General

The AIP is authorized to correct certain errors in information reported by the insured to ensure information is correct and consistent within USDA. Once an AIP determines that an error exists, the AIP may correct the error, within the timeframe specified by these procedures. However, corrections cannot allow the producer to avoid an ineligibility determination or obtain a disproportionate benefit under the crop insurance program, or any related program administrated by the USDA. The corrections authorized by these procedures are in addition to those currently authorized by other FCIC policies and procedures.

This Part does not limit or modify any provisions of FCIC policies or procedures that already permitted the correction of certain errors as of the day before February 7, 2014, including, but not limited to, corrections allowed under CCIP and ARPI. Therefore, requirements and deadlines set-forth in this Part only apply to the specific types of corrections that are allowed to be corrected by this Part.

B. Type of Corrections

Within the time frame specified, allowable correction types include the following:

(1) USDA Reconciliation Errors;

(2) FSA Conforming Correction Errors; and

(3) Electronic Transmission Errors.

C. Timing of Corrections

The term “in addition to” refers to those corrections not otherwise identified by the policy. If the error is corrected within the applicable deadline, the policy is treated as if no error occurred and the applicable BP continue to control unless it would fall within the authority to correct errors exception.

D. Corrections that Fall within Various Correction Type Categories

A correction may fall within multiple correction type categories. The AIP must determine the correct category and if additional procedures or categories limits the correction.

E. LRR

LRR will not be assessed for any authorized error correction made in accordance with these procedures and Appendix III to the SRA. The AIP must document changes that substantiate the correction on the applicable form (e.g., Policy Change form).

502 Correctable Information

The corrections authorized under this procedure are in addition to and/or expand the time frame for, corrections authorized by other RMA policy and procedures, which include, but are not limited to:

A. Basic Policy Information

Any general information about the insured or SBI, including any basic policy information that is reported incorrectly to the RMA or AIP, such as the spelling of insured or insured's SBI name, mailing address, or telephone number may be corrected. These errors may be corrected at any time. Basic policy information does not include information that affects the eligibility of the insured, the insurance guarantee, premium adjustments, or indemnity calculations.

B. Person Type

To obtain insurance, the insured must report their correct person type. If the AIP determines that the person type reported by the insured is incorrect, provided no condition in Para. 503 exists, the AIP may correct the person type information in accordance with and as authorized by other applicable procedures.

C. Identification Number

To obtain insurance, the insured must report the correct identification number associated with the person type reported on the Application unless an exception has been provided by FCIC procedures. If the AIP determines that the identification number reported by the insured is incorrect, the AIP may correct the identification number in accordance with the CCIP or ARPI and as authorized by other applicable procedures.

D. Clearly Transposed Information or Errors in Information Committed by the AIP or Someone from USDA

Any information reported on the Application that is clearly transposed, or the insured can provide evidence that the error was committed by the AIP or someone from the USDA must be corrected. These errors may be corrected at any time.

503 Exceptions

The correction types described in Paras. 504 and 505 are allowed in the current CY if the AIP determines that the corrections do not allow:

(1) the insured or its SBI to obtain disproportionate benefits under the crop insurance program or any related program administered by the USDA;

(2) an ineligible person to participate in the crop insurance program or a person to avoid any ineligibility requirements for crop insurance purposes;

(3) the insured or its SBI to avoid an obligation or requirement under any State or Federal law; or

(4) the insured or its SBI to:

(a) obtain, enhance, or increase their insurance guarantee or indemnity payment, if a COL exists or has occurred before any correction has been made; or

(b) avoid premium owed if no loss is likely to occur.

Example: When a producer must choose between USDA programs, such as choosing coverage under STAX or ARC/PLC, correction of errors procedures cannot be used to modify such choices. If any one of these exceptions apply, the corrections described in Paras. 504 and 505 must be made on or before the SCD of the subsequent CY.

A disproportionate benefit is a benefit greater than what the insured would have received had the erroneous information been reported correctly. If a correction is made retroactively, and it did trigger a benefit for the insured that it was not previously entitled to receive, then the correction cannot be made for the current CY. If the insured would receive more than the insured would if the correction was not made, the correction does not go into effect until the next CY.

504 USDA Reconciliation Errors

USDA Reconciliation Errors include errors where AIP or RMA information is determined to be incorrect by information determined correct at any other USDA Agency.

A. Errors on Forms Submitted on or before the SCD

(1) Authority to Correct

An AIP may determine, through its own internal review or through reconciliation activities with any USDA agency, an error exists in the information reported by the insured on the Application or other forms submitted on or before the SCD (e.g., the Policy Change form). The AIP is allowed to correct errors in information reported on or before the SCD to ensure that the information is correct and consistent with the information reported by the insured for any USDA program.

(2) Timing of Correction

Provided no condition in Para. 503 exists, when the AIP determines that an error exists, the AIP may correct the error up to 60 days following the current policy's SCD. If an error is discovered more than 60 days following the SCD or is not corrected up to 60 days following the SCD or a condition in Para. 503 exists, the error must be corrected on or before the SCD of the subsequent CY.

B. Errors on the AR

(1) Authority to Correct

An AIP may determine, through its own internal review or reconciliation activities with any USDA agency, an error exists in the information reported by the insured on the AR, or other forms that must be submitted on or before the ARD. Provided no condition in Para. 503 exists, when the AIP determines information on such forms to be incorrect, the AIP is allowed to correct such errors in order to reflect the information correctly reported by the insured and that is consistent with any USDA program. Procedures for corrections to the AR contained in the CIH continue to apply (e.g., inspections).

Note: Errors made on the AR for information that was originally reported on the Application are not provided an additional 30 days following the ARD to make those corrections. For example, an error in the reported identification number on the Application and AR must be corrected up to 60 days following the SCD. This error cannot be corrected on the AR.

(2) Timing of Correction

Provided no condition in Para. 503 exists, when the AIP determines that an error exists, the AIP may correct the error up to 30 days following the current ARD. If the error is discovered more than 30 days following the ARD or is not corrected up to 30 days following the ARD, or a condition in Para. 503 exists, the error must be corrected on or before the SCD of the subsequent CY, if applicable.

Exception: If the applicant/insured can provide evidence that the error was committed by the AIP or someone from the USDA, the information may be corrected at any time and is not subject to the limitations in Para. 503.

505 FSA Conforming Corrections

FSA Conforming Correction Errors include errors where the FSA corrects its information, and that correction then creates an inconsistency with an AIP's or RMA's information reported by the insured.

A. Authority to Correct

Provided no condition in Para. 503 exists, if the FSA corrects an error of producer reported information in its data, an AIP is authorized to make similar conforming corrections to its data when the AIP determines the FSA correction is accurate. The AIP may not rely on CIMS data without further verification.

Example 1: An AIP discovers that FSA has corrected its data for Producer A, an individual reporting an SSN, to Producer A Trust, reporting an EIN. The insured has previously reported to the AIP that they are Producer A, an individual reporting an SSN. Upon further review, the AIP determines that the FSA correction is accurate. In this example, the AIP may make a subsequent conforming correction to its data to be consistent with FSA.

A. Authority to Correct (Continued)

Example 2: An AIP discovers that FSA has corrected its data for Producer A Trust, reporting an EIN, to Producer A, an individual reporting an SSN. The insured has also reported to the AIP as a Producer A Trust, reporting an EIN and Producer A as the sole SBI. Upon further review, the AIP determines that Producer A Trust has the insurable interest because the crop is sold as Producer A Trust. In this example, a change in the AIP's information is not made because its information is correct.

B. Timing of Correction

The AIP must make the conforming correction up to 30 days following the date that FSA corrects its information. If the conforming error correction is not discovered and/or corrected up to 30 days following the FSA correction date, the error must be corrected on or before the SCD of the subsequent CY, if applicable. If an error qualifies as an FSA Conforming Correction Error, as described in this Para., and an USDA Reconciliation Error, as described in Para. 504, such error must be corrected by the deadline set-forth in Para. 504 or the deadline set-forth in this Para., whichever is later.

506 Electronic Transmission Errors

Electronic Transmission Errors include errors committed by the AIP, or any USDA agency in the electronic transmission of information provided by the insured. The AIP may correct electronic transmission errors made by the crop insurance agent or any other USDA agency to the extent that an agent or AIP relied upon the erroneous information for crop insurance purposes at any time.

507–600 (Reserved)

PART 6: MEDIATION, ARBITRATION, AND JUDICIAL REVIEWS OF AIP DETERMINATIONS

601 General Information

A. Applicability and Purpose

The procedures in this part apply to decisions and determinations made by AIPs only, not determinations made by RMA.

Exception: RMA determinations regarding what constitutes a GFP are provided in Para. 605.

This part provides uniform procedures for:

(1) handling AIP determinations to ensure insureds are provided applicable rights in resolving determinations the insured believes to be incorrect, including the right to mediation, arbitration, or judicial review, when applicable; and

(2) obtaining FADs and assistance, when applicable, and for reporting disputes with insureds to RMA.

B. Decisions and Determinations

An insured may request mediation or arbitration of any decision or determination made by an AIP except for decisions regarding what constitutes a GFP. AIP decisions regarding what constitutes a GFP are not subject to mediation or arbitration. However, AIPs' determinations regarding the amount of assigned production for uninsured causes for an insured's failure to use GFPs are subject to mediation and arbitration.

See Para. 605 for handling disputes regarding AIP decisions of what constitutes a GFP.

C. Options for Resolving Disputes

When an insured and AIP fail to agree on an AIP determination, the disagreement may be resolved through:

(1) mediation according to Para. 602;

(2) arbitration according to Para. 603; or

(3) judicial review according to Para. 604.

If resolution of the dispute is not reached through mediation, or both the insured and AIP do not agree to mediation, the disagreement must be resolved through arbitration according to the rules of the AAA.

An insured must complete the arbitration process before seeking resolution of the dispute through judicial review.

D. Disqualified Mediators and Arbitrators

Any mediator or arbitrator with a familial, financial, or other business relationship with any of the following is disqualified from hearing the dispute:

D. Disqualified Mediators and Arbitrators (Continued)

(1) named insured;

(2) AIP;

(3) agent of AIP; or

(4) loss adjuster of AIP.

E. Disputes Involving Interpretation of Policy or Procedure

(1) AIP or insured may obtain a FAD from FCIC in accordance with 7 CFR part 400, subpart X if the dispute in any way involves the meaning of a policy provision or procedure.

***

(2) FADs are binding only on the party or parties who requested the FAD. ***

Appealability:

If either party to the proceeding does not agree with the FAD, a request for administrative review may be filed in accordance with 7 CFR part 400, subpart J. Additionally, regardless of whether administrative review is sought, the insured may appeal a FAD to NAD in accordance with 7 CFR part 11.

***

F. Binding Provisions

Federal statutes, Federal regulations, and the terms of the insured's policy are binding in any mediation or arbitration proceeding. If there are conflicts between the insured's policy and State or local laws or the rules of the AAA, the policy provisions shall control.

In addition, State or local laws or regulations do not apply to the insured's policy if such laws or regulations are in conflict with Federal statutes or Federal regulations.

G. Limitation on Awards and Settlements

Awards and settlements provided under mediation, arbitration, appeal, administrative review or reconsideration process, or judicial review cannot exceed the amount of liability established, or which should have been established, under the insured's policy.

Exceptions: Simple interest according to the BP.

Attorney fees, other expenses, punitive, compensatory, or other damages may be recovered by the insured if certain conditions are met under a judicial review. See Para. 604 for more information about judicial review.

H. RMA Participation in Claim

If RMA participates in the adjustment of an insured's claim, or modifies, revises, or corrects an insured's claim prior to payment, and the insured disagrees with a determination made by RMA, the insured:

(1) cannot bring mediation, arbitration, or litigation against the AIP; and

(2) must seek:

(a) administrative review by RMA; or

(b) NAD appeal.

Exceptions: RMA determinations regarding what constitutes a GFP or that are a matter of general applicability are not appealable to NAD.

I. Reporting Disputes to RMA

AIPs must report all mediation, arbitration, litigation, and other legal action to RMA Deputy Administrator for Compliance no later than 30 days after the AIP has been notified of a dispute with an insured. Such disputes must be reported through the PASS using the dispute notification flag. Copies of all documents initiating the dispute must also be provided. In addition, AIPs shall report to PASS the Settlement/Arbitration.

J. Requesting RMA Assistance

AIPs may request RMA provide non-monetary assistance, such as witnesses, documents, or other non-monetary assistance, for mediation, arbitration, or litigation.

(1) RMA will consider such requests only if the AIP:

(a) reports the matter according to Subpara. I;

(b) presents all legal arguments favorable to its defense, including those suggested by RMA;

(c) does not join RMA as a party to the action unless RMA agrees, in writing, to be joined as a party; and

(d) immediately notifies RMA, in writing, of the requested action setting forth a detailed explanation of why assistance by RMA is in the best interest of RMA.

(2) The detailed explanation must include:

(a) the facts of the dispute;

(b) applicable policy provisions and procedures;

(c) action(s) sought from RMA, such as witnesses or documents sought; and

J. Requesting RMA Assistance (Continued)

(d) legal analysis of impact an adverse decision may have on the crop insurance program.

(3) Requests for assistance must be submitted to RMA Deputy Administrator for Compliance. RMA will, at its discretion, determine if the requested action(s) is approved.

602 Mediation

A. Overview

Mediation is a dispute resolution process in which a neutral person, who has received special training as a mediator, helps two or more parties:

(1) review the issue(s) in dispute;

(2) identify and consider all available options for resolution of the dispute;

(3) determine whether they can agree on a solution to the dispute that complies with statutory, regulatory, and procedural requirements; and

(4) avoid the cost and time that may accompany resolution through litigation.

The decision about the means for resolving the dispute remains with the parties in mediation. The mediator has no authority to make decisions that are binding on the parties.

The goal of mediation is to provide a means for the parties to exchange information and explore options in a nonbinding setting to assist in resolution of the dispute. Even if mediation does not resolve a dispute, it may contribute to improved program management and more positive relationships with insureds. In particular, mediation may improve communications and narrow issues in a dispute so that the issues in dispute are more clearly defined and readily resolved if litigation is subsequently sought.

B. Mutual Agreement to Mediate

When an insured and AIP fail to agree on an AIP determination, the disagreement may be resolved through mediation provided both parties agree:

(1) to mediate the dispute;

(2) on a mediator; and

(3) to be present or have a representative with authority to settle the case present, at the mediation.

C. Minimum Requirements

All agreements reached through mediation must be in writing and contain, at a minimum:

(1) a statement of the issues in dispute; and

(2) the amount of the settlement.

D. Reports to RMA

AIPs must provide RMA Deputy Administrator for Compliance with all:

(1) settlement agreements, including a statement of the issues in dispute and amount of settlement; and

(2) briefs or other evidence filed by both parties.

Failure to provide RMA the required information will result in denial of reinsurance for the applicable policies.

603 Arbitration

A. Overview

Arbitration is a method of dispute resolution involving one or more neutral arbitrators who are agreed upon by the disputing parties and whose decision is binding. The goal of arbitration is to secure a just and fair resolution to the dispute.

The FAA governs arbitrations initiated under this paragraph. An arbitrator's decision is binding on both parties unless vacated, modified, or corrected in accordance with the FAA. Either party has the right to judicial review of any decision rendered in arbitration.

B. Timing

Regardless of whether mediation is sought, arbitration proceedings must be initiated within one year of the later of the date the AIP:

(1) denied the claim; or

(2) rendered the determination in dispute.

The insured will not be able to resolve the dispute through judicial review if they fail to initiate arbitration within the required time period or fail to complete the arbitration process. See Para. 604 for deadlines to file for a judicial review.

***

C. Minimum Information Provided by Arbitrator

The arbitrator must provide both the AIP and insured a written statement that includes, at a minimum:

(1) a description of the issues in dispute;

(2) the factual findings;

(3) the determinations of the arbitrator;

(4) the amount and basis for any award;

(5) a breakdown, by claim, for any award; and

(6) the amount awarded for interest, if any.

*** Failure of the arbitrator to provide such written statement means the award may be appealed in accordance with the FAA.

D. Reports to RMA

AIPs must provide RMA Deputy Administrator for Compliance with all written statements from the arbitrator describing:

(1) the issues in dispute;

(2) the factual findings;

(3) all determinations;

(4) the amount and basis for any award or settlement; and

(5) all briefs and other evidence filed by both parties.

Failure to provide RMA the required information will result in denial of reinsurance for the applicable policies.

604 Judicial Review

A. Overview

Judicial review is a review by a court of law. Before an AIP or insured can seek judicial review, the arbitration process must be completed. See Para. 603 for information about arbitration.

B. Timing to Seek Judicial Review

An AIP or insured that elects to seek judicial review of a decision rendered in arbitration must file a motion to vacate, modify, or correct the arbitration award within three months of the date the arbitration decision was made in accordance with section 12 of the FAA.

C. Attorney Fees, Other Expenses, and Damages

(1) In a judicial review, an insured may be able to recover certain expenses or damages from the AIP (or extracontractual damages) if the:

(a) insured obtains a determination from FCIC that the AIP, AIP's agent, or AIP's loss adjuster failed to comply with the terms of the insured's policy, or the procedures issued by FCIC; and

(b) failure of the AIP, AIP's agent, or AIP's loss adjuster resulted in the insured receiving less than the amount to which they were entitled.

(2) Expenses and damages an insured may be able to recover include:

(a) attorney fees;

(b) punitive damages;

(c) compensatory damages; and

(d) other expenses.

Requests for determinations from FCIC must be addressed to RMA Deputy Administrator for Compliance.

Note: Compliance findings issued by an RMA regional compliance office, or a final administrative decision issued by the Deputy Administrator for Compliance does not satisfy the requirement that the insured obtain a determination to pursue extracontractual damages from the RMA Deputy Administrator for Compliance. Insureds must separately request a determination to the RMA Deputy Administrator for Compliance in accordance with the BP.

D. Reports to RMA

AIPs must provide RMA Deputy Administrator for Compliance all:

(1) written opinions of the court;

(2) pleadings filed in the case; and

(3) other documentation requested by RMA.

Failure to provide RMA the required information will result in denial of reinsurance for applicable policies.

A. GFP Determinations

An insured that does not agree with an AIP decision regarding what constitutes a GFP:

(1) cannot seek mediation or arbitration with the AIP;

(2) cannot file suit against an AIP;

(3) cannot appeal the AIP decision to NAD; and

(4) through their AIP, must request an RMA RO determination of what constitutes a GFP before filing suit against RMA or taking any further action.

An insured may seek mediation or arbitration with an AIP for an AIP determination of assigned production for uninsured causes for the failure to use GFPs.

B. Disagreement with RMA Determination of GFP

Upon request, RMA RO shall make a determination of what constitutes a GFP. Insureds who disagree with an RMA RO determination regarding what constitutes a GFP may:

(1) request reconsideration by RMA of its determination; or

(2) file suit against RMA in the United States District Court for the district in which the applicable insured acreage is located.

Insureds are not required to seek reconsideration before filing suit.

Example: An AIP makes a decision regarding what constitutes a GFP that the insured does not agree with. Through their AIP, the insured requests a determination from RMA RO. Based on its review, RMA RO's GFP determination aligns with the AIP decision. The insured may request RMA reconsider its determination or file suit against RMA in the United States District Court for the district in which the acreage is located.

RMA determinations regarding what constitutes a GFP cannot be appealed to NAD.

C. Requesting Reconsideration of RMA Determination

Insureds who disagree with an RMA RO determination regarding what constitutes a GFP may request RMA to reconsider its determination. Such requests must:

(1) be in writing to RMA's Deputy Administrator for Insurance Services;

(2) be received or postmarked within 30 days of receipt of written notice of the initial RMA determination; and

C. Requesting Reconsideration of RMA Determination (Continued)

(3) indicate the basis upon which the insured relies to show:

(a) the RMA determination was not proper and not made according to applicable regulations and procedures; or

(b) all material facts were not properly considered in the determination.

A request for reconsideration will be considered to have been filed when the properly addressed request, postage paid, is timely postmarked or when the emailed request is received by RMA (see the GFP Handbook for more information). However, RMA may accept and act on a request for reconsideration that is untimely filed if the insured can demonstrate they were physically unable to timely file the request.

RMA shall issue a written determination regarding the request for reconsideration. That determination is final and not subject to further administrative review. In addition, an RMA reconsideration determination shall not be revised or modified as a result of a judicial review, unless the determination is found to be arbitrary and capricious.

D. Filing Suit Against RMA

An insured that disagrees with the RMA determination regarding what constitutes a GFP may file suit against RMA regarding the determination. Insureds are not required to seek reconsideration from RMA before filing suit.

Any suit against RMA regarding a GFP determination must be:

(1) brought in the United States District Court for the district in which the insured acreage is located; and

(2) filed not later than one year after the:

(a) date of the initial determination, if reconsideration was not requested; or

(b) reconsideration was completed, if reconsideration was requested.

606–700 (Reserved)

PART 7: (RESERVED)

701–800 (Reserved)

PART 8: ADMINISTRATIVE AND SERVICING REQUIREMENTS

Section 1: General Program Requirements

801 Insurance Availability

The policy consists of the applicable AD, the CEPP, other endorsements or options, the SP, the CP, the BP, and WA.

A. AD

Insurance is available when the AD include the necessary crop information to establish the protection available for State and county programs. For each CY, the AD contain available policies, coverage levels, prices, premium rates, premium adjustment percentages, practices, or types of the insurable crop, insurable acreage, and other related information regarding crop insurance in the county. The AD can be accessed on the RMA AIB website at aibpf-rma.fpac.usda.gov/apps/ActuarialInformationBrowser/CropCriteria.aspx or on the RMA Information Reporting System website at webapp.rma.usda.gov/apps/RIRS/.

Exception: Insurance under ARPI is not available for hybrid seed corn or hybrid sorghum seed when an insured has a Hybrid Seed Corn Policy or Hybrid Sorghum Seed Policy, respectively, in place.

For each CY, the AD list the insurable crop. The SP are considered a part of the AD. The AD are located on the RMA AIB and RMA Information Reporting System websites referenced above.

B. WAs

An insured may request coverage by WA when insurance is not available and if authorized by the policy. A WA is a document designed to provide crop insurance for insurable crops when coverage or rates are unavailable or to modify existing terms and conditions in the crop insurance policy when specifically permitted by the policy. The RMA RO process WA requests for producers which are submitted through their AIPs. See the WAH for processing of actuarial requests and WAs.

802 Eligible Crops

Eligible crops must be grown on insurable acreage in a county for which a method of establishing insurance yields/guarantees and premium rates has been established for the crop in order for insurance to attach. See Para. 802B for insurance limitations concerning multiple crops planted on the same acreage for harvest during the same CY. See Exh. 8 for a listing of the following:

(1) eligible crops;

(2) applicable policies;

(3) coverage;

(4) plans;

(5) availability of LP and PP coverage;

(6) availability of replant coverage;

(7) units of measure;

(8) unit availability; and

(9) High-Risk Land Exclusion availability.

A. Insurable Practices/Types

The policy may provide for or exclude from insurability certain practices or types. Insurable P/T for a crop are provided in the AD.

(1) Practice (P) refers collectively to Irrigation Practice, Cropping Practice, Organic Practice, and Interval when listed in the AD for a crop.

(2) Type (T) refers collectively to Commodity Type, Class, Subclass, and Intended Use when listed in the AD for a crop.

B. CCIP CPs with More Than One Insurable Crop

The following CPs provide coverage for multiple crops:

(1) AZ & CA Citrus;

(2) Coarse Grains;

(3) Florida Citrus Fruit;

(4) Texas Citrus Fruit;

(5) Grapes (AZ and CA only);

(6) Small Grains;

(7) Stonefruit;

(8) Table Grapes (AZ & CA only);

(9) NVS;

(10) Tobacco;

(11) Florida Fruit Tree;

(12) Hawaii Tropical Fruit;

(13) Hawaii Tropical Tree;

(14) Hybrid Specialty Seed;

B. CCIP CPs with More Than One Insurable Crop (Continued)

(15) CE; and

(16) Turfgrass.

The CPs with multiple crops allow insureds to designate which of those crops are to be insured and may indicate which type(s) or variety(ies) are separate insured crops (e.g., Fresh Apricots and Processing Apricots insured under the Stonefruit CP). See the applicable CP (Insured Crop section) or the AD to determine the separate insurable crops.

803 Duplicate Policies

Duplicate policies are not permitted. Duplicate policies exist when more than one policy is in force for the same crop/county and for the same person, or for a spouse, child or other member of the household who does not have a separate farming operation or share in the crop.

AIPs must use RMA's system to determine if more than one policy is in force.

A. Discovered Duplicate Policies

(1) If it is discovered that duplicate policies exist, and one is an additional coverage policy and one is a CAT policy:

(a) if both policies are insured with the same AIP the additional coverage policy will apply and the CAT policy will be void;

(b) if both policies are insured with different AIPs and both AIPs agree, the additional coverage policy will apply and the CAT policy will be void; or

(c) if both policies are with different AIPs and both AIPs do not agree, the policy with the earliest Application date will be in force and the other policy will be void.

(2) If it is discovered that duplicate policies exist and both are additional coverage policies or both are CAT policies, the policy with the earliest Application date will be in force and the other policy will be void, unless both policies are with:

(a) the same AIP and the AIP agrees to void the policy with the earliest application date; or

(b) different AIPs, and after consulting with the insured, both AIPs agree to void the policy with the earliest application date.

B. AIP Determination of Duplicate Coverage

If the AIP determines that duplicate coverage exists and the existence was intentional, the insured may be subject to the consequences of fraud as stated in the BP.

C. Duplicate Policy Exceptions

RMA does not consider the following as a duplicate policy.

(1) When the HRLEO is executed on or before the applicable SCD with the same AIP from which the insured obtained their additional coverage and chooses to insure high-risk land separately. The insured has two choices for insuring the high-risk land separately:

(a) under a separate CAT policy; or

(b) under a high-risk policy with coverage greater than CAT but less than the coverage elected on the base policy when available in the AD.

Note: The insured cannot have both a CAT and a high-risk policy for the high-risk land. If it is discovered that insured has both a CAT and a high-risk policy, the high-risk policy will apply.

(2) If Hybrid Seed Corn or Hybrid Sorghum Seed is grown under contract with more than one seed company. The CP allow a separate policy for acreage grown with each different seed company. The policies do not have to be insured with the same AIP; however, all acreage of the insured crop in the county must be insured.

(3) Specialty types listed on the SP for barley are excluded from a RP policy and insured under the YP policy in order to receive the contract price.

(4) Crops insured under WFRP policies that are also insured under the BP (see Para. 804B).

(5) Cotton insured under a STAX policy with a companion policy must be purchased with the same AIP. The area loss trigger for the STAX policy cannot exceed the coverage level of the CCIP companion policy or if companion policy is ARPI the coverage range cannot exceed the limit contained in the AD for the PF for the ARPI policy.

(6) Small grains insured under the CCIP may also be insured under the RI AF policy Dual Use option. Dual use as defined by the RI AF policy provides that an annual forage commodity planted and insured under the RI AF policy for the intended use of grazing, may also be insured under the MPCI policy for grain. The AD identifies whether the dual use option is available.

804 Other Insurance

The insured is not prevented from obtaining other like insurance that is not authorized by the ACT. However, unless specifically required by the policy provisions, the insured must not obtain any other crop insurance authorized under the ACT on its share of the insured crop, except for the following:

A. CCIP

When the insured has fire insurance (whether valid or not) and has not excluded coverage for fire from the policy, liability for loss under the policy due to fire caused by a naturally occurring event is only for the smaller of the following:

A. CCIP (Continued)

(1) the amount of indemnity determined pursuant to the policy without regard to such other insurance; or

(2) the amount by which the loss from fire is determined to exceed the indemnity paid or payable under such insurance.

The amount of loss from fire will be the difference between the total value of the insured crop before the fire and total value of the insured crop after the fire. This amount will be determined in accordance with Para. 806 Multiple Benefits.

B. WFRP Policy

When both individual FCIC plans of insurance and a WFRP policy are in effect, the individual crop policy(ies) may provide primary coverage and indemnity payments from those policies may be considered revenue to count under the WFRP policy for claim purposes, see the WFRP Pilot Handbook.

C. RI AF

When an insured has a small grains crop that is intended to be grazed initially and subsequently harvested for grain, the grazing of the small grains crop can be insured under the AF Dual Use Option and the same crop and acreage can be insured for grain under the CCIP Small Grains policy, if allowed by the SP.

805 Cause(s) of Loss

Insurance is provided to protect against unavoidable loss from naturally occurring events as contained in the policy. Examples include:

(1) adverse weather conditions;

(2) fire (due to natural causes);

(3) wildlife, earthquake; and

(4) volcanic eruption occurring within the insurance period.

Coverage of insured causes of loss must be due to drought, flood, or other natural disasters (as determined by the Secretary of Agriculture). All other causes of loss, except where the policy specifically covers loss of revenue due to a reduced price in the marketplace, must be due to naturally occurring events. All other causes of loss are not covered and are considered uninsured causes.

806 Multiple USDA Benefits and Dual Participation

For some USDA programs, statutory language does not allow multiple benefits or dual participation.

A. Multiple Benefits

(1) If an insured is eligible to receive a crop insurance indemnity and benefits under some programs administered by the USDA for the same crop loss, the insured may participate in both programs but must choose whether to retain the crop insurance indemnity or the other program benefit (payment). Even if the insured chooses not to retain the crop insurance indemnity, the premium will be due and payable. Disaster programs such as the Livestock Forage Program (LFP) and Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish (ELAP) are not subject to the multiple benefit provisions.

(2) Multiple Benefits are prohibited for NAP. NAP is not available for livestock programs. NAP is not available for any permanent crop insurance program. NAP is available for all pilot programs under Sec 508(c) or (h) regardless of whether CAT level coverage is offered.

Exception 1: NAP coverage may be made available for the uninsurable acres of a crop policy that is a permanent crop insurance program. For example, coverage is available for IRR corn grain crop acreage in a county, but coverage is unavailable for NIRR corn grain crop acreage. However, if an insured had crop insurance coverage with a WA and NAP coverage for this acreage, it is considered a multiple benefit, and the producer must elect which benefit to receive.

Exception 2: Insureds are allowed to purchase and retain benefits from both:

(a) NAP and RI PRF

(b) NAP and RI Apiculture

(c) NAP and RI AF (when dual use applies, may also have MPCI small grain coverage)

Exception 3: If both a WFRP or Micro Farm policy and NAP are in effect, the NAP indemnity payments that exceed the WFRP deductible will be considered revenue to count under the WFRP policy for claim purposes (see the WFRP Handbook).

(3) Insurance indemnities are not allowed when graze-out payments are made by FSA under the loan deficiency program. The 2014 Farm Bill provided that for CYs 2014 through 2018 crop of wheat, barley, oats, or triticale planted on acreage that a producer elects to use for the grazing of livestock in lieu of any other harvesting of the crop shall not be eligible for an indemnity under a policy or plan of insurance authorized under the ACT. SP statements were added to the wheat, barley, and oat crop insurance policies to inform insureds.

(4) Insureds may receive and retain benefits between crop insurance and FSA programs for Livestock Indemnity Program (LIP), LFP, ELAP, and TAP.

A. Multiple Benefits (Continued)

(5) Insureds are allowed to participate in both LGM-Dairy and FSA's Dairy Margin Coverage (DMC) program and retain both benefits.

(6) AIPs are required to include a multiple benefit certification statement on all acreage reporting forms.

(7) If an insured elects not to retain a Federal crop insurance indemnity, the AIP must require the insured to complete a withdrawal of claim. If an indemnity has not been paid, the insured must elect to forego any indemnity for the policy or when an indemnity has been paid, the AIP must require the insured to pay back any Federal crop insurance indemnity. If the insured elects the benefit from another USDA agency, other than the crop insurance program, the insured is still required to pay premiums due under the terms of the policy.

B. Dual Elections/Participation Disallowed

Some programs prohibit producers from participating in multiple programs. These include but are not limited to:

(1) SCO and STAX coverage on the same crop acreage;

(2) enrollment (participating) in ARC or PLC and STAX on the same acreage/FN(s) of the crop;

(3) CRP and any crop insurance program on the same acreage.

NRCS easements that prohibit haying, grazing or crop production, may render acreage ineligible for the Federal crop insurance programs.

C. Compliance

In addition to reviews conducted in accordance with AIPs program administration, such as Appendix IV reviews, USDA agencies will exchange and compare CY program participation data to identify multiple benefits or dual participation and take corrective action, as appropriate.

807 Administrative Fees

Each insured is required to pay an administrative fee each year insurance attaches. Separate administrative fees are charged based on the terms of the insurance policy. For example, insurable acreage of the crop is planted, or a PP AR is filed for a CCIP policy, the administrative fee is applicable (no administrative fee is due when a crop is only used to establish eligible PP acreage, see PPSH Para. 84).

In instances where a Transfer of Coverage and Right to Indemnity has been executed, both the transferor and transferee are jointly responsible for any administrative fee.

A. Administrative Fee Schedule

Coverage	Per Crop/County	Type of Policy	Fee Established When	Due on the
Additional	$30 (plus premium)	New & Carryover	Insurance Attaches	Premium Billing Date
CAT	$655	New & Carryover	Insurance Attaches	Premium Billing Date

B. Separate Administrative Fees for CCIP Policies

Separate administrative fees are charged when the following is present.

(1) Each crop/P/T under the same CP/SP insured separately (see Para. 802B).

Example: An insured selects additional coverage on Lemons and Limes under the Florida Citrus Fruit CP. CAT coverage is selected for Tangors. The insured is charged two $30 additional coverage administrative fees and a CAT administrative fee of $655.

(2) High-risk land is insured under a separate CAT policy or high-risk policy.

(3) Hybrid Seed Corn or Hybrid Sorghum Seed policies for contracts with different seed companies.

(4) Each added county per crop under the Added County Election (see Para. 843).

(5) Each crop insured under a WU.

(6) When the CP/SP authorize different plans of insurance for crop types and the insured elects to insure a type(s) under a different plan of insurance.

Example: An insured has three types of barley: malting, hulless, and all others. If the insured elects to exclude the malting type from the RP plan and insures the malting type under the YP plan and insures the remaining two types under the RP plan, separate administrative fees are due for the YP plan and RP plan (i.e., two administrative fees are due).

(7) When there is an SCO Endorsement. An administrative fee and premium for the crop covered by each SCO Endorsement will be due in addition to any administrative fee(s) and/or premium(s) of the underlying policy.

C. Separate Administrative Fees for ARPI Policies

When an insured elects CAT and additional coverage or multiple levels of coverage for the same crop policy:

(1) separate administrative fees are charged for both CAT and additional level coverage when an insured elects both for the crop in the county; and

(2) the number of administrative fees will not be more than one for additional coverage and one for CAT.

Only one administrative fee is charged no matter how many different additional coverage levels are chosen by the insured for different P/T combinations for the crop in the county.

808 Third-Party Prohibition Regarding Administrative Fees

AIPs, agents, producer associations, grower groups, farm cooperatives, etc., may not pay administrative fees for insureds. Only those persons acting in place of the insured under a POA, landlord/tenant agreement, or a legal guardianship, may pay the administrative fee.

Exception: If State law permits a licensing fee to be paid by an AIP to a cooperative association or trade association and rebate to an insured through the payment of CAT administrative fees, a cooperative association or trade association located in that State may pay, on behalf of a member of the association in that State or contiguous State who consents to be insured under such arrangement, all or a portion of the administrative fee required for CAT.

809 Waiver of Administrative Fees

The administrative fee for CAT and additional coverage may be waived for insureds who qualify as a limited resource farmer or a BFR or VFR.

A. Limited Resource Farmer

(1) To be exempt from payment of administrative fees, a Request to Waive Administrative Fees must be completed using the Limited Resource Farmer/Rancher Self-Determination Tool (lrftool.sc.egov.usda.gov) and submitted to the AIP. The Request must be submitted:

(a) for new insureds, on or before the SCD at the time of Application; or

(b) for carryover insureds, annually on or before the crop's final ARD.

The insured must provide proof of qualifying income or certify on the Request to Waive Administrative Fees that they qualify as a limited resource farmer. See the DSSH for applicable form development instructions.

A. Limited Resource Farmer (Continued)

(2) If the insured certifies eligibility and the AIP has reason to question the insured's eligibility, the AIP may require proof of income (e.g., income tax returns) for the previous two years prior to allowing the insured to qualify for limited resource farmer status. The AIP must approve or reject the Request to Waive Administrative Fees. If the insured does not qualify as a limited resource farmer, the AIP shall:

(a) provide notice to the insured the administrative fee must be paid according to policy terms; and

(b) terminate the policy and the person will become ineligible for insurance coverage, if the administrative fee is not paid according to policy terms.

If adequate proof is not provided and it is found that the insured intentionally misrepresented their status, the policy will be voided. The voidance will be effective at the beginning of the CY in which the misrepresentation took place. If selected for review, eligibility for waiver of administrative fees must be verified and the insured will be required to provide proof of gross income.

B. BFR or VFR

When an insured qualifies as a BFR or VFR, the insured automatically qualifies for waiver of administrative fees for CAT and additional coverage policies.

810 Agent of Record

A. Overview

For the purposes of each eligible policy, Agent of Record means any agent or subagent who:

(1) for a new or revised Application, signs the Application; and

(2) for any CY, signs the acreage report or similar reports, as applicable.

Each eligible policy has at least one and may have multiple agents of record. All agents of record for each eligible policy must be reported by the AIP, in accordance with Appendix III.

B. Changes to Agent of Record

Changes to the "Agent of Record" for an existing eligible policy must be reported by the AIP, in accordance with Appendix III, and require certain additional actions by the AIP:

(1) for any Agent of Record change (retirement, termination, resignation, death, expired license, etc.), the AIP will notify the named applicant of the new Agent of Record; and

B. Changes to Agent of Record (Continued)

(2) the notification letter should indicate that since this change occurred after the SCD, the AIP has assigned a new Agent of Record and advise the insured of the option to select an agent of their choice before the SCD for the following CY(s). Any changes prior to the SCD require the Agent of Record to be reported on the applicable form (e.g., Application).

811 Non-Business Day Deadline

Deadlines, such as the SCD, PRD, and ARD, falling on Saturdays, Sundays, or Federal legal holidays are extended to the next business day. However, this extension will not affect any subsequent deadlines, which will remain based on the original deadline.

Example: If the insured plants the insured crop on or within five days prior to the FPD and the FPD is five or fewer days prior to the ARD, the insured must submit an AR no later than five days after the ARD (for example, if the FPD contained in the SP is July 10, the ARD contained in the SP is July 15 and the insured plants the insured crop on July 9, they have until July 20 to submit an AR for the insured crop). If the ARD of July 15 falls on a Sunday, the count of five days to determine when the insured must submit an AR begins with the original ARD of July 15, not the extended ARD of July 16.

812 Document Origination

If original insurance documents are required by RMA but are unavailable, a photocopy, fax copy, carbon copy or electronic form with electronic authorized signature of an original insurance document may be used if certified by the AIP. The copy must be marked or stamped “Certified True Copy” and signed and dated by the AIP’s authorized representative.

A certified true copy may be accompanied by a memorandum explaining why a copy is being submitted instead of the original document.

813 DNP

The Department of the Treasury’s DNP system may be used to verify the eligibility of all insured policies in their book of business. The DNP system matches on tax identification numbers. The DNP system can be accessed at fiscal.treasury.gov/DNP/. AIPs must work with PAAD to facilitate the implementation of this process.

814 Electronic Communication

All policy provisions, notices, and communications required to be sent by the AIP to the insured will be:

(1) provided by electronic means, unless:

(a) the AIP does not have the ability to transmit such information to the insured by electronic means; or

(b) the insured elects to receive a paper copy of such information;

(2) sent to the location specified by the insured with their crop insurance agent; and

(3) conclusively presumed to have been received by the insured.

No later than 30 days prior to the cancellation date, the AIP must provide a copy of the changes to the BP, CP, CEPP (if applicable), and SP to the insured. In addition, changes are automatically considered accepted by the insured if the insured does not change or cancel insurance coverage.

815–830 (Reserved)

Section 2: Application for Insurance

831 The Application

The Application is used to request insurance and must contain all of the information required by the policy. If the required information is not contained on the Application, the Application is not acceptable, and insurance will not be provided.

832 SCD

SCDs are established for each insurable crop and published in the AD. A person must apply for insurance on or before the applicable SCD. After the SCD, new Applications for insurance for that CY will not be accepted, unless a specific BP or CP allows for Application after the SCD (e.g., NVS crops).

If a crop has both fall/winter and spring types, and Application is made after the fall/winter SCD and acreage is planted for the fall/winter type, insurance is not available for the crop until the subsequent CY.

833 The Policy Term

Policies are continuous and remain in force until canceled, terminated, or voided. If cancellation, termination, or voidance of insurance coverage occurs for any reason, including but not limited to indebtedness, suspension, debarment, disqualification, cancellation by the insured or AIP, or violation of the controlled substance provisions of the Food Security Act of 1985, a new Application must be filed for any future coverage. Insurance coverage will not be provided if applicant/insured is ineligible under the contract or under any Federal statute of regulation.

A. Policy Cancellation

(1) The Insured may cancel a continuous policy for any CY following the initial CY.

(a) A signed notice must be given to the AIP on or before the cancellation date which precedes the CY to be canceled.

(b) A written request made by the insured to cancel a policy after the cancellation date will be effective the following CY. Cancellation dates are provided in the applicable CP.

Insurance on a crop may not be canceled the first effective policy year by the insured.

Exception: For CCIP policies, insurance may be canceled the first effective policy year by the insured when:

(i) a change is made in the policy or AD affecting coverage or rate that was not filed at the time of Application. If an Application is taken before revisions are published; the applicant must be advised by the AIP of change(s) affecting the insured crop. The applicant then has the option to cancel such crop(s) policy(ies) on or before the cancellation date. This is not applicable for CAT coverage;

A. Policy Cancellation (Continued)

(ii) the approved yield has been lowered by more than five percent compared to the preliminary yield quoted, or the AIP was not authorized to calculate the preliminary yield, and the approved yield is not acceptable to the insured (see Para. 833D);

(iii) AIPs agree. A policy written with one agent/AIP may not be canceled for the purpose of insuring with another agent/AIP the first effective CY without the written consent of the AIPs involved; or

(iv) changing insurance plans on or before the applicable cancellation/SCD. For example, an insured purchases RP for corn in the fall and prior to the corn cancellation/SCD requests corn coverage under ARPI.

(2) The AIP may only cancel a policy with express written consent from FCIC, unless provided for in the BP. For further information regarding consent to cancel, AIPs should contact RSD SM.FPAC.RMA.ReinsuranceServices@usda.gov.

Cancellations allowed by BP: The AIP may cancel a policy if:

(a) the policy has not earned premium for three consecutive years;

(b) the insured person has died, disappeared, been judicially declared incompetent, or dissolved (see Part 2, Section 3); or

(c) the insured person is determined to be ineligible to receive benefits under the Act due to violation of the controlled substance provisions of the Food Security Act of 1985 and the regulation promulgated under the Act by USDA (see Para. 202C).

B. Policy Termination

The AIP will terminate coverage:

(1) under the CAT Endorsement and the crop policy for which the insured fails to pay the CAT administrative fee or other amounts due on or before the date due (see the ITS Handbook). In the case of partial payment of fees involving multiple crops, there may be a question concerning to which policy(ies) payment should be applied. If so, contact the insured to make this determination.

CAT coverage is not available to persons whose policies have been previously terminated for non-payment of premium and any amount remains unpaid.

B. Policy Termination (Continued)

(a) If the insured purchases additional coverage from a different AIP, transfer procedure must be followed. See Para. 846 for transfer procedures.

(b) At the end of the CY if the crop policy is terminated the CAT Endorsement also automatically terminates for that crop; and

(2) for non-payment of an administrative fee, premium, or other amounts due (see ITS Handbook Part 4).

(a) For additional coverage policies, the BP provides for termination of the policy for the next CY if any of the amounts due remain unpaid as of the termination date.

(b) A policy issued by a new AIP will be terminated for existing indebtedness (see Para. 846B(6)).

(c) RMA will not provide reinsurance on policies that should have been terminated for non-payment of administrative fee, premium, or other amounts due.

Exception: Reinstatement authorization may be available for policies terminated due to an insured's inadvertent failure to pay a debt owed in accordance with the terms of their applicable policy. See the applicable BP, and the ITS handbook for more information.

C. Policy Voidance

If a policy is void, it is considered not to have existed the CY in which it is voided.

(1) The policy would be void if:

(a) the identification number for the insured is reported incorrectly, and the requirements in Part 2 Sec. 2 are not met;

(b) the identification number for any person with an SBI is reported incorrectly or not reported and the requirements in Part 2 Sec. 2 are not met;

(c) it is a duplicate policy (see Para. 803);

(d) the insured is ineligible; or

(e) the insured or anyone assisting the insured has falsely and/or fraudulently concealed either the fact that the insured is restricted from receiving benefits under the ACT or that action is pending which may restrict eligibility to receive such benefits.

(2) If a policy is voided in accordance with (1) in this Subpara., the insured must:

(a) repay any indemnity, PP payment or replanting payment that may have been paid, for all applicable crops and CYs; and

C. Policy Voidance (Continued)

(b) pay an amount equal to 20 percent of the premium that would have otherwise been required.

(i) Any previously paid premium or administrative fees in the amount in excess of 20 percent of the premium, shall be returned by the AIP to the insured.

(ii) If the crop has been planted, regardless of whether the ARD has passed, the insured must pay an amount equal to 20 percent of premium that would have been required on the planted acres if the policy was not voided.

(iii) If no acreage of the crop has been planted, no amount is due.

D. Mutual Consent Cancellation for CCIP Policies (New Insureds)

(1) A new insured may, with the consent of the AIP, cancel a crop policy if either of the following are met:

(a) the approved yield computed for any unit of the crop is less than 95 percent of the preliminary yield computed for the unit; or

(b) a preliminary yield was not calculated for a unit of the crop and the approved yield is not acceptable to the new insured.

An AIP's consent to cancel the policy is at the discretion of the AIP. The opportunity to cancel a policy according to this Para. applies to new insureds only.

(2) Requests to cancel a policy must be filed within 30 calendar days of the date the approved yield was mailed or otherwise made available to the new insured.

A request to cancel a policy will be considered filed on the day the request is personally delivered to the AIP or the postmark date on a properly addressed envelope/package.

(3) When the AIP denies a request to cancel a policy, the new insured may request mediation or arbitration of the decision according to Part 6.

834 Insurance Choices

Insurance coverage is determined by the insurance plan, level of coverage (or coverage range), and price (or PF). These choices are made at the time the Application, or the Policy Change in subsequent years, is completed. These choices may be changed if requested in writing on or before the applicable SCD for the insured crop.

The same choices must be selected for the crop for all insurable acreage in the county, for those policies that insure a crop, unless an exception in the policy applies.

A. CCIP Policies

The same choices must be selected for the crop for all insurable acreage in the county, for those policies that insure a crop, unless an exception in the policy applies.

(1) The applicable CP/SP allows an exception by individual crop or type (e.g., price elections by dry bean type in the AD, coverage levels by grape type in the SP, plan election for specialty types of barley).

(2) The insured has additional coverage for the crop in the county, and the AD provide for separate additional coverage levels by IRR and NIRR practice for the crop. Electing separate coverage levels by irrigation practice does not create separate crop insurance policies so separate administrative fees do not apply.

(3) High-risk land excluded from an additional coverage policy and insured separately under a CAT policy.

(4) Hybrid Seed Corn or Hybrid Sorghum Seed grown under contract with more than one seed company insured under separate policies.

If the policy allows different insurance choices by crop or other criteria, separate administrative fees may be required.

B. ARPI Policies

An insured may elect different coverage levels and/or PF for each IRR practice or for each P/T available in the AD by SCD. If the insured does not elect different coverage levels and/or PF by IRR practice or by P/T, then the coverage level and PF for the crop will apply to all P/Ts of the crop.

(1) To obtain different coverage levels and/or PF by crop/irrigation practices or by crop/P/T:

(a) each irrigation practice must be listed on the Application with the elected coverage level and PF; or

(b) each P/T must be listed on the Application with the elected coverage level and PF.

Exception: A PF is not elected when CAT coverage level is elected for a P/T (see Para. 807).

(2) If a P/T is not listed on the Application, then the coverage level and PF will default to the lowest coverage level and PF on the Application for the crop.

Example:

P/T	Coverage level	PF
P/T 1	70	90
P/T 2	75	80
default	70	80

Plan Specific Directives provide further procedure regarding administration of these plans (e.g., NVS ISH, CIH).

A. CCIP

CCIP provides coverage for multiple plans of insurance, which vary by crop and are identified in the AD. See Exh. 8 for a detailed list of plans of insurance by crop.

(1) APH Plan provides protection from loss of production for crops in counties for which RP is not available.

(2) RP Plan provides protection for loss of revenue and/or production for certain crops with RP selected.

(3) RPHPE Plan provides protection for loss of revenue and/or production for certain crops and excludes the use of the harvest price in the determination of the revenue protection guarantee.

(4) YP Plan provides protection from loss of production for crops with RP available but not selected.

(5) DO Plan(s) provides protection for certain crops against declining value due to damage that causes a yield shortfall.

(6) Other Plans of Insurance (e.g., APH-Price Component, ARH, PRH, PRV, etc.).

B. ARPI

ARPI provides insurance coverage based on an area, not an individual, yield or revenue. When ARPI is elected, all acreage of the insured crop in the county must be insured under the same plan of insurance. ARPI plans of insurance include:

(1) AYP, which provides protection against loss of yield due to a county level production loss. This plan does not provide protection against loss of revenue or upside harvest price protection;

(2) ARP, which provides protection against loss of revenue due to a county level production loss, a price decline, or a combination of both. This plan also includes upside harvest price protection, which increases the policy protection at the end of the insurance period if the harvest price is greater than the projected price; or

(3) ARPHPE provides protection against loss of revenue due to a county level production loss, price decline, or a combination of both. This plan does not provide upside harvest price protection.

Only AYP is available for forage intended for harvest.

C. STAX-BP

STAX provides protection against natural causes of loss that cause area revenue to fall below the county loss trigger. STAX is only available for upland cotton. STAX does not use approved yields or revenues in determining STAX coverage, premium or indemnity. A separate policy is established for STAX coverage, identified by the applicable STAX plan of insurance codes.

(1) STAX RP provides protection against loss of revenue due to a county level production loss, a price decline, or a combination of both. This plan also includes upside harvest price protection, which increases the policy protection at the end of the insurance period if the harvest price is greater than the projected; or

(2) STAX RPHPE provides protection against loss of revenue due to a county level production loss, price decline, or a combination of both. This plan does not provide upside harvest price protection.

D. WFRP

WFRP pilot provides protection against loss of revenue that the insured expects to earn or will obtain from commodities produced or purchased for resale during the insurance period.

This insurance plan is tailored for qualifying farms, including farms with specialty or organic commodities (both crops and livestock), or those marketing to local, regional, farm-identity preserved, specialty, or direct markets.

E. RI

The RI plan of insurance is designed as a risk management tool to insure against declines in an index for a designated area called a grid. It is primarily intended for use by producers whose crop production tends to follow the average precipitation patterns for the grid. It is possible for the insured to have low crop production on the insured acreage and still not receive a payment under these plans. Because the program is designed for producers whose crop production tends to follow average patterns and not individual crop production, the insured should review the historical indices, additional tools, and information provided to determine if these programs are suitable for their risk management needs.

The RI plan of insurance is a risk management tool to insure against a decline in an index value that is based on the long-term historical average precipitation for the grid and index interval. It is best suited for producers whose production tends to follow and correlate to the historical average precipitation patterns for the grid. The RI plan of insurance:

(1) does **not** measure, capture, or utilize the actual crop production of any producer or any of the actual crop production within the grid; and

(2) utilizes NOAA CPC gridded interpolated precipitation data.

Historical indices information for each grid ID and index interval is available on RMA's web site. This information must be used by producers and agents to determine whether the producer's production history follows and correlates to average precipitation patterns for the grid.

A. CCIP

(1) Coverage Levels by Crop/County

A crop may be insured at a percentage of the approved yield or amount of insurance. All acreage of the insured crop within a county must be insured at the same level unless the exceptions listed in Para. 834 apply and/or if the CP specifies otherwise. Levels of coverage include CAT or additional. See Table in Para. 837 for available coverage levels, if indicated on the AD.

(2) Coverage Levels by IRR and NIRR Practice

(a) An insured can elect coverage levels by IRR and NIRR practice when both practices are offered in the AD provided both elections are at the additional coverage levels. An insured must elect coverage levels by IRR and NIRR practice on the Application or Policy Change form. Even though different additional coverage levels may be elected by IRR and NIRR practice, all IRR practices must be insured at the same coverage level and all NIRR practices must be insured at the same coverage level.

Example: A crop/county offers IRR, SF, and CC practices. An insured elects 75 percent coverage level on IRR wheat and 65 percent coverage level on NIRR wheat. If the insured plants using all three practices offered in the AD, the IRR practice is insured at 75 percent and the SF and CC practices, which are both NIRR, are insured at 65 percent.

If coverage levels for both irrigation practices are not specified separately on the Application or Policy Change form, then the coverage level will default to the lowest coverage level on the Application or Policy Change form for the crop. Each P/T must be listed on the Application with the elected coverage level. If a P/T is not listed on the Application, then the coverage level will default to the lowest coverage level on the Application for the crop or crop/type.

(b) If the CP allow the option to have different coverage levels by crop type or variety (e.g., Dry Peas, Apples), and the AD provide separate coverage levels by IRR and NIRR practice, the insured may select different coverage levels by IRR and NIRR practice for each separate type or variety. Each P/T must be listed on the Application or Policy Change form with the elected coverage levels. If a P/T is not listed on the Application, the coverage level will default to the lowest coverage level on the Application or Policy Change form for the crop. For example, Application has fresh apples/IRR at 50 percent coverage level and fresh apples/NIRR at 75 percent coverage level. The insured reports processing apples on the AR, since processing apples was not specified on the Application, the coverage level for processing apples for both irrigation practices defaults to lowest coverage level for the crop on the Application, 50 percent.

A. CCIP (Continued)

Example: An insured may choose the 65 percent coverage level for processing type apples with an IRR practice and the 70 percent coverage level for processing type apples with a NIRR practice. The insured may also choose a 70 percent coverage level for fresh type apples with an IRR practice and a 75 percent coverage level for fresh type apples with a NIRR practice.

(c) When high-risk land is insured on a high-risk policy under the terms of the HRLEO and the insured elects coverage level by practice on the base policy, the insured must elect coverage level by practice on the high-risk policy.

The coverage level for the IRR practice insured under the high-risk policy must be lower than the coverage level for IRR on the base policy, and the coverage level for the NIRR practice insured under the high-risk policy must be lower than the coverage level for the NIRR practice on the base policy. Unless the insured has an additional coverage revenue policy and high-risk policy is YP, they can have same or lower coverage level as the base revenue policy. However, the insured may choose the same coverage level for both practices as long as each are lower than the coverage level for the corresponding practice on the base policy (or equal to lowest coverage level if high-risk policy is YP).

B. ARPI

(1) For ARP and ARPHPE:

(a) CAT coverage is not available; and

(b) for additional coverage, insured may select different coverage levels by P/T.

Example: The insured may choose a 75 percent coverage level for IRR corn and a 90 percent coverage level for NIRR corn.

(2) For AYP:

(a) CAT coverage is available and may be selected by crop/P/T;

(b) for additional coverage, insureds may select different coverage levels by crop/P/T; and

(c) both (a) and (b) may apply for the same crop.

C. WFRP and Micro Farm

Coverage levels offered under WFRP are provided on the AD. Insureds:

(1) may elect any amount of coverage; and

(2) will have only one coverage level per policy.

C. WFRP and Micro Farm (Continued)

WFRP may be purchased alone or with other Federal crop insurance policies. If purchased with another policy, the WFRP premium may be reduced due to the coverage provided by the other policy, see the WFRP Pilot Handbook.

837 Price

The AD provides pricing information. Only one price percentage may be elected per crop, per county, per policy unless the CP (e.g., Dry Beans) allow for different price percentages, by P/T. The pricing mechanism varies by plan. The AD may authorize contract prices for some crop/P/T(s) (e.g., CPA, Peanuts, etc.). For informational purposes, the following RMA webpage identifies crops that offer contract pricing: www.rma.usda.gov/about-crop-insurance/fact-sheets/contract-price-eligibility-commodity. To determine whether contract pricing is available for the policy, see the AD. See CIH Part 9 for contract pricing procedures, including CPA, and CIH Part 12 Sec. 2 for crops requiring processor contracts for insurability or allowing contract pricing when insured has a processor contract.

A. RP Plan

The FCIC-issued projected price and harvest price must be insured at 100 percent. The projected price is used to calculate premium, any replanting and any PP payment.

When the harvest price exclusion is:

(1) elected, the projected price is used to compute the RP guarantee per acre; or

(2) not elected, the projected price is used to initially determine the RP guarantee per acre. If the harvest price is greater than the projected price, the RP guarantee per acre will be recomputed using the harvest price.

B. YP Plan

The value of the production guarantee per acre and the value of PTC are determined by multiplying the FCIC-issued projected price times the percentage of the projected price selected by the insured.

Once selected, the percentage of the projected price will continue to apply unless changed on or before the applicable SCD.

C. Other Plans

This includes the APH Plan, DO Plan(s), etc. The amount of insurance will be the amount of insurance issued by FCIC multiplied by the coverage level percentage elected. The price election will be the price election issued by FCIC multiplied by the percentage of price elected.

Example: The AD for Fresh Market Tomatoes provide the FCIC-issued reference maximum dollar amount of $6,525. Therefore, an insured who elects 75 percent coverage level would have an amount of insurance equal to $4,894 (0.75 × $6,525).

C. Other Plans (Continued)

The price election is determined by the FCIC-issued price election multiplied by the percentage of price selected.

FCIC may provide additional price elections or amounts of insurance no later than 15 days prior to the applicable SCD. The additional price elections or amount of insurance:

(1) will not be less than those available on the CCD;

(2) must be selected on or before the applicable SCD; and

(3) if elected, will be used to determine the amount of premium and any claim settlement.

Once selected, the amount of insurance, percentage of price election, or the additional price election will continue to apply unless changed on or before the applicable SCD.

D. Price Percentage

For the APH Plan and YP Plan only, the insured may select a percentage of the price or the additional price (when available for the crop), as follows for additional coverage.

Coverage Level Percentage	50	55	60	65	70	75	80	85
Price Percentage	100	91–100	84–100	77–100	72–100	67–100	63–100	59–100

CAT coverage level percentage is 50 percent, and the price percentage is 55 percent unless otherwise stated below.

The following table provides price information for other plans of insurance when CAT is elected. Coverage level percentage is 50 percent unless specified differently.

Plan of Insurance	Price Percentage
CE	55% of the Controlled Environment Value Report.
Florida Citrus Trees	55% of the reference maximum price.
NVS	55% of the Nursery Value Report.
Other Dollar Plan crops	55% of the DO (Florida Citrus, Forage Seeding, Hybrid Seed Corn, Hybrid Sorghum Seed, Peppers, Raisins, Sweet Corn (Fresh Market) Texas Citrus Trees, Tomatoes (Fresh Market)).
ARPI Crops	45% of the maximum protection per acre at 65% coverage level.

E. ARPI Projected Price

The projected price is a price for each crop/P/T shown in the AD by additional and CAT coverage, determined in accordance with the CEPP, SP or the CP, as applicable. Insureds with ARPI plans of insurance do not elect a percentage of price but do elect a PF.

837 Price (Continued)

F. STAX Projected Price

The projected price is a price for each crop/P/T shown in the AD by additional and CAT coverage, determined in accordance with the CEPP, SP or the CP, as applicable. If the projected price cannot be determined, STAX coverage cannot be provided.

838 PF

Instead of a percent of price or price election, ARPI and STAX uses a PF. The PF is the percentage used to calculate the dollar amount of insurance per acre and policy protection. The insured must choose a PF:

(1) from a range of 80 to 120 percent, unless otherwise specified in the SP;

(2) as a whole percentage; and

(3) for each irrigation practice or crop/P/T.

Exception: Native sod acreage insured under an ARPI policy receives a PF equal to 65 percent until the acreage no longer qualifies as native sod. These acres must be separately identified and reported on the AR.

If a P/T is not listed on the Application, then the PF will default to the lowest PF available for the crop.

839 STAX Area Loss Trigger

The percentage of expected area revenue the insured chooses, ranging from 75 percent to 90 percent, below which an indemnity is paid, and which is contained in the AD.

840 STAX Coverage Range

A percentage of not less than five percent and not more than 20 percent, which represents the amount of the expected area revenue covered by STAX and which is contained in the AD.

Note: Insureds may select a zero-coverage range for P/T(s) insured under STAX.

841 Premium Rates

The AD provide the premium rates established for each county and crop.

842 Premium Subsidy

A. BFR or VFR

BFRs or VFRs will receive an additional premium subsidy that is greater than the premium subsidy identified in the AD. Any plan of insurance with premium subsidy qualifies for the additional BFR or VFR premium subsidy. See Para. 306B for the additional premium subsidy for BFR and Para. 306C for the additional premium subsidy for VFR.

A. BFR or VFR (Continued)

Example 1: An insured elects RP with 80 percent coverage level for wheat and receives a subsidy factor of 0.51. If the insured qualifies as a BFR or VFR, the insured will receive additional premium assistance which will increase the subsidy factor based on the benefit being utilized and year of benefits, if applicable.

Benefit	Year of Benefit	Subsidy Factor	Additional Subsidy	Final Subsidy Factor
BFR	1 or 2	0.51	0.15	0.66
BFR	3	0.51	0.13	0.64
BFR	4	0.51	0.11	0.62
BFR	5-10	0.51	0.10	0.61
VFR	1-5	0.51	0.10	0.61

When an insured qualifies for BFR or VFR benefits and plants on native sod acreage which results in a reduction in the premium subsidy, the additional premium subsidy for BFR or VFR is applied prior to the reduction of premium subsidy due to planting on native sod acreage. The reduction in premium subsidy applies only to the native sod acreage and does not extend to other acreage in the insured's operation.

Example 2: An insured elects RP with 80 percent coverage level for wheat and receives a subsidy factor of 0.51. If the insured qualifies as a BFR or VFR, the insured will receive additional premium subsidy which will increase the subsidy factor. However, if the insured plants on insurable native sod acreage they receive a reduction of 50 percentage points of premium subsidy.

Benefit	Year of Benefit	Subsidy Factor	Additional Subsidy	Native Sod Reduction	Final Subsidy Factor
BFR	1 or 2	0.51	0.15	0.50	0.16
BFR	3	0.51	0.13	0.50	0.14
BFR	4	0.51	0.11	0.50	0.12
BFR	5-10	0.51	0.10	0.50	0.11
VFR	1-5	0.51	0.10	0.50	0.11

B. Native Sod (2014 Farm Bill)

(1) Native sod acreage receives a premium subsidy reduction of 50 percentage points less than the premium subsidy identified in the AD:

(a) when tilled and planted for the production of an annual crop beginning February 8, 2014, and ending on December 20, 2018, in all counties in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota;

(b) when more than five acres are tilled in the county, cumulatively across CYs (policy years for WFRP);

B. Native Sod (2014 Farm Bill) (Continued)

(c) until the native sod acreage has four CYs (policy years for WFRP) of planting;

(d) regardless of whether the native sod acreage is later transferred to a different person during the first four CYs (policy years for WFRP) of planting; and

(e) for the following insurance plans (not applicable to CAT):

(i) ARPI Policy - Annual Crops;

(ii) CCIP - Annual Crops;

(iii) RI Plan - AF;

(iv) SCO Endorsement; and

(v) WFRP Policy - Annual Crops.

(2) The subsidy reduction is applicable during the first four CYs (policy years for WFRP) the native sod acreage is planted (any applicable PP acreage will have the premium subsidy reduction until four CYs of planting on the native sod acreage are complete).

(3) The reduction in premium subsidy applies only to the native sod acreage and does not extend to other acreage in the insured's operation.

(4) If the reduction in premium subsidy result is zero or below zero, the insured will receive no premium subsidy for the native sod acreage.

Example: An insured elects RP with 80 percent coverage level for corn and receives a subsidy factor of 0.48. If the insured plants on insurable native sod acreage, the insured would receive a reduction of 50 percentage points of premium subsidy which will decrease the subsidy factor to negative 0.02. As this result is below zero, the insured receives no premium subsidy for the native sod acreage.

(5) If an insured is also a BFR or VFR and plants on native sod acreage, the additional premium subsidy for a BFR or VFR is applied prior to the reduction of premium subsidy due to planting of native sod (the reduction in premium subsidy applies only to the native sod acreage). See example in Para. 842A.

C. Native Sod (2018 Farm Bill)

(1) Native sod acreage receives a premium subsidy reduction of 50 percentage points less than the premium subsidy identified in the AD:

(a) when tilled for the production of an insured crop beginning December 21, 2018, in all counties in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota;

C. Native Sod (2018 Farm Bill) (Continued)

(b) when more than five acres are tilled in the county, cumulatively across CYs (policy years for WFRP);

(c) until the native sod acreage has four CYs (policy years for WFRP) of an insured crop within the first 10 CYs after initial tillage;

(d) regardless of whether the native sod acreage is later transferred to a different person during the first four CYs (policy years for WFRP) of an insured crop within the first 10 CYs after initial tillage; and

(e) for all insurance plans (not applicable to CAT).

(2) The subsidy reduction is applicable during the first four CYs (policy years for WFRP) the native sod acreage is insured (any applicable PP acreage will have the premium subsidy reduction until four CYs of insurance on the native sod acreage are complete).

(3) The reduction in premium subsidy applies only to the native sod acreage and does not extend to other acreage in the insured's operation.

(4) If the reduction in premium subsidy result is zero or below zero, the insured will receive no premium subsidy for the native sod acreage.

Example: An insured elects RP with 80 percent coverage level for corn and receives a subsidy factor of 0.48. If the insured insures a crop on the native sod acreage, the insured will receive a reduction of 50 percentage points of premium subsidy which will decrease the subsidy factor to negative 0.02. As this result is below zero, the insured receives no premium subsidy for the native sod acreage.

(5) If an insured is also a BFR or VFR and insures a crop on native sod acreage, the additional premium subsidy for a BFR or VFR is applied prior to the reduction of premium subsidy due to insuring native sod acreage (the reduction in premium subsidy applies only to the native sod acreage). See example in Para. 842A.

843 Added County Election for CCIP, ARPI, and STAX Policies

The AIP's Application and/or Policy Change for CCIP, ARPI, and STAX policies may provide an election for Category B crops, including pilot Category B crop programs, with the exception of forage production, to allow the applicant/insured to insure the listed crop(s) on land in a county that is added after the applicable SCD for the current CY.

For the election to be applicable, the crop must be insurable in the county being added, and the insured must not have an interest in any land in the added county as of the SCD for the current CY. Any interest an insured may have had in land in previous CYs in a county being added does not impact added county election for the current CY.

Separate administrative fees are due at premium billing for each added county per crop (see Para. 807).

A. AIP Offer

If the AIP offers the added county election, the AIP must use one combination of the added county election statements contained in Para. 410 of the DSSH, which allows for the added county election to apply within a State, nationwide, or limited to the States where the AIP has elected to participate per the SRA Appendix II, Exhibit V(b).

B. Added County Election Deadline

The election must be made on or before the applicable SCD for the crop(s) shown on the Application or Policy Change. Any endorsement, option, exclusion, or election effective for the designated county will apply to any added county crop. For example, if the insured has executed a HRLEO and insured high-risk land under a CAT policy in the designated county, HRLEO will apply to the added county and any high-risk land would be insured under a CAT policy.

C. More Than One Added County Election

Only one added county election is permitted, one for a crop/State, one for a crop/limited States, or one for crop/nationwide (depending on the combination of statements used by AIP). If election is made for a crop on multiple Applications or Policy Changes, the election with the earliest Application date will apply. See Para. 803 regarding duplicate coverage.

D. More Than One County for the Crop

If more than one county for the crop(s) is listed on the Application or Policy Change, the insured must designate on the Application or Policy Change only one county from which insurance coverage (i.e., plan of insurance, coverage level, price, coverage options/exclusions, etc.) will be determined for the crop(s) for all counties added for the CY.

(1) Insurance coverage will not be provided for an added county if the insured does not designate a county for added county purposes or designates more than one county per crop or crop state, as applicable, on a single Application or Policy Change.

(2) If only one county for the crop(s) is listed on the Application or Policy Change, that county will be the designated county.

(3) A crop not listed on the added county section of the Application or Policy Change cannot be added after the applicable SCD. For example, the insured has a soybean policy in effect on or before the SCD and selects the added county election. The insured rents land, after the SCD, in another county and plants corn and soybeans. The soybeans planted in the added county would be insured, however, the corn would not.

E. Designated Plan of Insurance, Level of Coverage, or Price Percentage Not Available

If the designated plan of insurance, level of coverage or price is not available in the added county, CAT coverage will be provided if the crop is insurable in the AD for an added county.

F. Production Reporting Requirements

An acceptable production report must be provided on or before the PRD or appropriate variable T-Yield procedures will apply on land located in the added county (see CIH Part 10). However, the insured may request the use of New Producer procedures, preferably on or before the PRD but no later than the ARD. See CIH Part 17 Sec. 3 for New Producer procedures.

G. AIP Notification

The insured must notify the AIP by reporting the acreage of the crop for the county that is added no later than the ARD the initial year any insured crop(s) is grown in a county(ies) not listed on the Application or Policy Change. A crop inspection to determine insurability is not necessary for any applicable crop(s) reported the initial CY in an added county.

H. Coverage Provided

The coverage provided under the added county election shall only be provided in the initial year that the county is added. For coverage to be provided in subsequent years, a separate Application or Policy Change must be submitted.

I. Added County Not Optional Once Elected

If the insured adds land in a different county after SCD and the added county election is elected, then it is insured. It is not an option for the insured to not add the county if this election was previously made. If the insured does not report the land, then the unreported acreage procedures apply (see CIH Para. 1219).

844 Application Acceptance

Applications are subject to acceptance by the AIP. Applications that do not contain the required information to insure the crop shall not be accepted by the AIP. Prior to acceptance, the AIP will determine the following:

(1) whether the person who has a share in the insured crop with an insurable interest is the owner, operator, sharecropper, or tenant;

(2) identifies the correct person and person type (e.g., individual, partnership, co-owner, joint venture, corporation, etc.);

(3) if the Application has been signed by a person(s) having authority/capacity to enter into a binding contract; and

(4) if the Application contains all the required information to insure the crop, including, but not limited to:

(a) all applicable SSNs, EINs, and/or RANs;

(b) all person(s) who have an SBI and their respective identification numbers and person types;

(c) plan of insurance;

(d) coverage level;

(e) percentage of price election or projected price, as applicable; and

(f) crop, practice, and type, as applicable.

845 Rejected Applications

If rejected by the AIP, the original Application along with a letter of explanation must be sent to the applicant, with a copy to the AIP representative, within 15 calendar days of the SCD.

846 Transfer of Policies to Another AIP

To be effective, transfer of a policy from one AIP to another must be requested in writing by the insured on or before the cancellation date.

A. Documentation

To transfer a policy, an insured must complete and submit to the assuming AIP a Policy Transfer/Application, or the assuming AIP must complete and sign, and have the insured sign, a Request to Transfer a Policy with the ceding AIP's policy number(s) for each crop policy being transferred.

If a Policy Transfer/Application is not used, an Application must be completed, indicating the crop was insured in the previous CY, and signed by the insured and the AIP.

B. Requirements

The following requirements apply when a person chooses to transfer a policy to another AIP.

(1) The policy may not be canceled the first effective CY with any AIP for the purpose of insuring with another AIP without the written consent of the AIPs involved.

(2) An insured may transfer a policy only once per CY between AIPs. A transfer within an AIP from one policy issuing company to another is not considered a transfer for this purpose.

(3) Options, elections, endorsements, WAs, etc., do not transfer and must be specified on the new Application and/or applicable forms if they are to be in effect for the current CY. However, the Agreement to Combine OUs will remain in effect and must be transferred to the assuming AIP.

B. Requirements (Continued)

(4) Insureds who transfer their policy to a different AIP may, without penalty, report their prior crop year's production to their new AIP on or before the PRD instead of providing a production report to the ceding AIP on or before the IPRD. The ceding AIP will not be responsible for reporting such production to RMA unless the insured provides an acceptable production report to the ceding AIP. If the insured provides an acceptable production report to the ceding AIP, the ceding AIP must provide that report to RMA. See CIH Part 13 for more production reporting requirements.

(5) When the insured transfers the policy to a different agent and/or AIP the APH yield history, including any applicable analysis databases for acreage transitioning to organic without a plan (see CIH Para 1161), must also be transferred.

(6) Premium and any loss experience for those insureds with a good experience discount only must be transferred.

(7) The policy will be terminated if the insured is indebted to the ceding AIP. See the ITS handbook for further information.

(8) All AIPs are required to transmit experience (premium and loss data) and APH data to RMA. RMA will maintain such information in its databases. AIPs must request transferred policy information by submitting an electronic request to RMA through its systems (e.g., to verify policy items such as APH history).

(9) The assuming AIP must notify the ceding AIP when it has accepted the transfer and issued the new policy within 45 days after the applicable cancellation date.

(10) The ceding AIP must cancel its policy if a Policy Transfer/Application is executed by the insured on or before the cancellation date, regardless of whether the assuming AIP timely notified the ceding AIP.

(11) When a transfer within an AIP from one policy issuing company to another is made, the insured must be notified of such transfer.

Note: See Appendix III for any further requirements related to records in PASS and policy transfers.

C. Review of Underwriting Information

The assuming AIP may complete and issue policies by requesting the insured's previous experience and APH data, if applicable, from RMA without requesting insurance experience and APH history from the ceding AIP.

However, if the information received from RMA appears incomplete or inaccurate, the assuming AIP must request the insurance experience and APH history, if applicable, from the ceding AIP.

C. Review of Underwriting Information (Continued)

(1) When requested timely (within 45 days after the cancellation date), the ceding AIP will provide the experience and complete APH data, if applicable, for the applicable crop/county to the assuming AIP no later than 15 days after receiving the request even if the ceding AIP has already canceled the policy.

(2) If due to a lag in processing the immediately preceding year's business, the cumulative experience factor for the Good Experience Discount may be used by the assuming AIP to provide an estimated premium. The actual premium for the current CY will be billed after the immediately preceding year's experience is completed.

847 Good Experience Discount for CCIP Policies

Insureds may have had favorable insurance experience (base premiums and loss experience) and earned premium discounts for specific crops, see Para. 847B for APH-based crop insurance policies. Previous insurance experience is retained by the AIP when the insured has been continuously insuring the same crop/county. Good experience discounts do not transfer to another person when a policy transfers to a different named insured, including those instances when the policy defaults to a spouse when the named insured dies, disappears or is judicially declared incompetent.

A. Applicability of Good Experience Discount to Changed Coverage Plan or Level

For insureds who switch coverage plans (e.g., YP Plan to ARPI, Yield to RP) or coverage levels (e.g., additional coverage to CAT coverage), the AIP must retain previous insurance experience.

(1) The good experience DF is not used for ARPI, or RPs, or when calculating imputed CAT premium.

(2) When an insured switches back from ARPI or RP to YP or APH Plans at the additional coverage level, the previous insurance experience and applicable premium discounts apply.

(3) When an insured switches from CAT back to additional coverage, the AIP must update the insurance experience. If the insured is still eligible for a premium reduction in excess of five percent, based on the insured's loss ratio and the number of years of continuous experience through the applicable CY, the insured will continue to receive the premium reduction subject to the conditions listed (see Para. 847C).

(4) Insurance experience may be available from RMA systems upon AIP request. See Exh. 10 for chart of percentage adjustments for favorable continuous insurance experience.

B. Crop Groups for Premium Adjustment Purposes

Premium reductions (subject to the conditions in Para. 847C) were removed from the following crop policies for the:

B. Crop Groups for Premium Adjustment Purposes (Continued)

(1) 1985 CY: Corn, Grain Sorghum, Soybeans, Tobacco, Raisins, Peanuts, Tomatoes (Processing), Processing Sweet Corn, and Potatoes. Premium reductions are based on insuring experience through the 1983 CY.

(2) 1986 CY: Wheat, Barley, Flax, Oats, Rye, Sunflower Seeds, Almonds, Apples, Forage Production, Grapes, Peas, Dry Beans, Peaches, and Sugar Beets in all States except Arizona and California. Premium reductions are based on insuring experience through the 1984 CY.

(3) 1987 CY: Sugarcane, AZ-CA Citrus, and AZ-CA Sugar Beets. Premium reductions are based on insuring experience through the 1985 CY.

(4) 1990 CY: AUP Cotton and Rice. Premium reductions are based on insuring experience through the 1989 CY.

(5) 1990 CY: Florida Citrus. Premium reductions are based on insuring experience through the 1988 CY.

(6) 1998 CY: Forage Seeding. Premium reductions are based on insuring experience through the 1997 CY and premium adjustments for unfavorable experience have been discontinued.

No other crops have premium adjustments based on favorable experience.

C. Premium Adjustments for Favorable Experience

The insured's premium is subject to a maximum credit of 50 percent for favorable experience based on the Premium Adjustment Table. Premium reductions are subject to the following conditions.

(1) Premium reductions will not increase because of additional favorable experience in later CYs.

(2) Premium reductions will decrease according to the Premium Adjustment Table because of unfavorable experience in later CYs.

(3) Once the insured's loss ratio exceeds 0.80, no premium reduction is applicable.

(4) Participation must be continuous. A break in insurance due to active duty in the armed services is not considered a break in participation for premium adjustment purposes.

848–850 (Reserved)

851 Policy Change

When changes to the insurance policy are needed, a policy change is used to make such change without creating a new Application. Some changes can be made after the SCD, such as changing an insured's physical address. A policy change may be used to request the following.

(1) On or before the SCD for changes in plan of insurance (within APH-based plans of insurance only), percentage of projected price/price election or coverage level.

Exception: In counties with either fall or winter and spring crop type SCDs, the change must be requested on or before the fall or winter SCD. However, the insured may elect or change options, plan of insurance, coverage level, percentage of projected price or price election on or before the spring SCD, if the fall or winter type is not planted.

Example: Winter/fall and spring are different types of the same insured crop policy. Since these are considered a crop with different types under the crop policy, one Application/policy covers the entire crop. If the SCD for the winter/fall type has passed for a crop in a county with dual SCDs and the winter/fall type has been planted, then an Application cannot be accepted and changes cannot be made to a policy in effect for that CY. When a crop in a county with dual SCDs with a winter/fall type has not been planted and only a spring type will be planted, Applications can be accepted, and changes can be made until the spring SCD.

The policy change form may be used to change an insurance plan between the plans covered by the CCIP (YP, RP, RPHPE) and between plans covered by ARPI (AYP, ARP, ARPHPE). For other policies, the insurance plan element is for information only and the insurance plan cannot be changed using a policy change form.

(2) On or before the cancellation date, the insured may cancel all crop policies in a county or a specific crop(s) in a county following the initial CY insured.

(3) At any time, the insured may correct its identification number or its SBIs identification number if the criteria in Part 2 Sec. 2 are met. Correction of identification numbers will not be allowed, and the policy will be void if these criteria are not met.

(4) At any time, the insured may correct its name, its SBI's(s') name(s), address(es), or phone numbers.

(5) At any time, add/change/remove their authorized representative (e.g., to provide signature authority for an insured who is physically unable to report if such authority is obtained in advance of the program date; for example, hospitalization when an insured may be unable to report). Addition/change/removal of an authorized representative applies to any applicable program date (e.g., SCD, ARD, PRD, etc.) on or after acceptable completion and AIP acceptance of the policy change form.

(6) On or before the date specified in the applicable policy, the insured may add or cancel options, elections, and endorsements. See CIH Exh. 9 for a summary of deadlines.

(7) On or before the SCD, the insured may elect, revoke, or change its primary county for the added county election.

852 Assignment of Indemnity

An insured may assign the right to an indemnity payment for a crop(s) under a policy to a creditor(s) or other persons to whom the insured has a financial debt or other pecuniary obligation by using an Assignment of Indemnity. An assignment of indemnity is not applicable to any payment that is not an indemnity. The assignment(s) applies for all acreage of the crop covered by the policy. Each assignment must be executed on a policy basis (i.e., crop/county/policy). However, when one policy number covers multiple crops, one assignment may be used to cover the multiple crops in the county if each crop policy is listed separately on the assignment.

Exception: AIPs may not create, accept, or benefit from an assignment of indemnity related directly or indirectly to private contracts (i.e., private products, crop hail, NRS, etc.). By doing so the AIP would create a conflict of interest by obtaining rights under the policy as an assignee.

A. Signature Requirements

In addition to the requirements in Para. 854, if an Assignment of Indemnity is:

(1) digitally signed by the insured or creditor, the witness requirement is waived. The AIP still has the option to request proof of debt or other pecuniary obligation before the Assignment of Indemnity is accepted.

(2) signed by the insured with pen-and-ink, either:

(a) a witness signature is required; or

Note: A person cannot be both a signatory and a witness to an Assignment of Indemnity.

(b) the AIP is required to obtain and maintain documentation for proof of debt or other pecuniary obligation before the Assignment of Indemnity is accepted.

B. Effective Date

The Assignment is effective upon approval in writing by an authorized representative of the AIP. The AIP may request proof of debt or other pecuniary obligation before an assignment of indemnity is accepted. If the Assignment of Indemnity is not approved in writing by the AIP, the assignment is not effective, and the proposed assignee does not obtain rights under the policy.

An Assignment executed prior to the date of a Transfer of Coverage and Right to an Indemnity, remains effective after the Transfer of Coverage and Right to an Indemnity.

C. Number of Assignees

The insured has the option of executing more than one assignee and/or executing multiple assignments. It is the insured's responsibility to notify parties of multiple executed assignments.

A single Assignment may contain more than one assignee. Similarly, multiple Assignments may be executed by the insured if approved in writing by the AIP.

D. Timing of Assignment

For an Assignment to be effective for a CY, it must be made:

(1) after acceptance of the Application; but

(2) before a loss claim is submitted to the AIP for payment of the indemnity.

Issuance of a replant payment for any insured unit will not affect the insured's ability to assign an indemnity to another party.

E. Cancellation or Termination

An Assignment is effective only for the crop(s) and the CY specified on the Assignment.

(1) The Assignment may be canceled during the CY. The AIP will cancel the Assignment(s) only if the assignee(s) submits a signed written statement discharging the Assignment.

The discharge must indicate the insured's name, mailing address, policy number and crop(s)/county(ies) released. The AIP representative(s) will retain a copy of the discharge.

(2) The Assignment will terminate at the end of the CY.

F. Payment Issuance

Any indemnity payment where an Assignment of Indemnity applies will be:

(1) a joint check made payable to the assignee(s) and the insured; or

(2) an electronic payment made to a single payee, agreed to in writing by all assignee(s) and the insured; and

(3) subject to any administrative fee deduction or any other unpaid balance, not to exceed the total amount of indemnity due.

Payments will not be made to any lienholder or other person to whom the insured has a financial debt or other pecuniary obligation and not identified on the AIP approved Assignment of Indemnity, even if there is a lien or other assignment recorded elsewhere.

G. Single Payee Agreement

After the execution of an Assignment of Indemnity, an indemnity payment may be made to a single payee if all assignees and the insured agree in writing. The Assignment of Indemnity - Single Payee Agreement form (DSSH Exh. 39) must be completed before any payment is issued where a single payee is preferred.

The Single Payee Agreement is effective from the date the AIP accepts the Single Payee Agreement until any of the following conditions occur.

(1) The Assignment of Indemnity ends (see Para. 852E).

(2) The number of assignees changes (see Para. 852C).

If the number of assignees changes during the CY, a new Single Payee Agreement must be completed with all parties before any payment is issued where a single payee is preferred. If the new assignee(s) does not agree or will not execute a Single Payee Agreement, any indemnity payment made after the change in assignee(s) must be made by joint check.

(3) A Transfer of Coverage and Right to an Indemnity occurs after the Single Payee Agreement was executed.

If a Transfer of Coverage and Right to an Indemnity occurs after the Single Payee Agreement was executed, a new Single Payee Agreement must be completed with all parties before any payment is issued where a single payee is preferred. If any of the parties do not agree or will not execute a Single Payee Agreement, any indemnity payment made after the transfer of coverage and right to indemnity is effective must be made by joint check.

(4) The Single Payee Agreement is canceled (see Para. 852E).

The Single Payee Agreement may be canceled by the insured or any of the assignees by notifying the AIP in writing. If the Single Payee Agreement is canceled, any indemnity payment issued after the cancellation must be by joint check.

(5) The Insured and all assignees want to change the payee in the Single Payee Agreement.

If the insured and all assignees want to change who the single payee is, a new Single Payee Agreement must be executed before a payment may be made to a new payee.

H. Notice Submission by Assignee

Any assignee has the right to submit all loss notices or forms as required by the policy. See the LAM for more information on loss notices.

853 Transfer of Coverage and Right to an Indemnity

Use a Transfer of Coverage and Right to an Indemnity to transfer insurance coverage and the right to any subsequent indemnity from one insured person to another person. The Transfer of Coverage and Right to an Indemnity is used when a transfer of part or all the ownership/share of the insured crop occurs during the insurance period. A Transfer of Coverage and Right to an Indemnity must be executed on a per crop/county/policy basis for all or part of the crop share/acreage. However, the AIP can consolidate all crops and policies onto one form to ensure that the transferor and transferee are aware of the liability/premium for each respective crop policy for the acreage transferred.

For example, if cotton acreage is insured under both the CCIP and STAX policies and is transferred to another person, either a separate Transfer of Coverage and Right to an Indemnity for CCIP and STAX must be executed or both the CCIP and STAX policies must be included on a single Transfer of Coverage and Right to Indemnity for the coverage under both policies to transfer to the transferee.

A. Effective Date

The Transfer of Coverage and Right to an Indemnity is effective upon approval in writing by an authorized representative of the AIP. If the Transfer of Coverage and Right to an Indemnity is not approved in writing by the AIP, the transfer is not effective, and the proposed transferee does not obtain rights under the policy. An Assignment of Indemnity executed before the date of the Transfer of Coverage and Right to an Indemnity remains effective after such Transfer of Coverage and Right to an Indemnity.

B. Share/Acreage

A Transfer must be executed for each policy. The Transfer is only effective for the share/acreage in the insured crop actually held by the insured at the time the insured's interest in the crop was transferred. Therefore, insurance must attach to the acreage for a Transfer of Coverage and Right to an Indemnity to be effective.

For example, there can be no Transfer of Coverage and Right to an Indemnity if acreage is transferred to another person prior to planting of an annual crop because insurance attaches on the date an annual crop is planted, and the transferee does not have a share in the insured crop.

Exception: PP acreage allows for a Transfer of Coverage and Right to an Indemnity prior to planting the crop.

C. Timing of Transfer of Coverage and Right to an Indemnity

The Transfer of Coverage and Right to an Indemnity is effective upon approval in writing by an authorized representative of the AIP. Once approved, the Transfer is only applicable to acreage and/or share of the crop planted by the transferor and transferred to the transferee. The AIP is not liable for any more indemnity than existed before the transfer occurred.

D. Liability

An approved Transfer of Coverage and Right to an Indemnity grants all rights and responsibilities under the policy to the transferee consistent with the transferor's interest.

The transferee and the transferor (insured) will be jointly and severally liable for any unpaid premium, administrative fee, and/or other amounts due on the acreage and share transferred, even if the transfer is released by the transferee.

Note: Rights and responsibilities of the transferee includes the right to the same notifications that the insured would receive outlined in ITS Handbook Para. 301.

The AIP may consolidate all policies onto one form to ensure that the transferor and transferee are aware of the liability or premium for each respective policy for the acreage transferred.

E. Number of Transfers

An insured may execute multiple transfers during the CY. A separate form may be required for each different unit or portion of a unit on which coverage is being transferred.

F. Expiration and Release

The Transfer may be released by the transferee submitting a signed statement of release indicating the insured's name, mailing address, policy number, crop(s), and unit(s).

The Transfer expires at the end of the insurance period for the CY specified. For succeeding CYs, an Application must be made to insure the proper person for insurance to remain in effect unless the transferee has an existing policy.

If it is discovered during the loss inspection that there is a release that has not been submitted or processed, the loss adjuster must document on the Special Report and attach the report and the release to the claim form.

G. APH Impact in Subsequent CYs

The transferee must certify the acreage and production history on or before the applicable PRD. The year of transfer counts as a year of producing the crop for both the transferor and the transferee. Incomplete or unacceptable production reports will result if the transferee fails to certify acreage and production for the applicable CY.

If the transferee does not certify the acreage and production history on or before the applicable PRD:

(1) For carryover insureds, assigned yield provisions will apply; however, the acreage and production from the acreage transferred must be used the succeeding CY.

(2) For new insureds, continuity of production records is broken.

854 Signatures

When reviewing signatures on any crop insurance documents, AIPs must verify that the signatory is authorized to sign on behalf of the insured person. A specific format is not mandated for signatures, see Exh. 4 for a non-exhaustive list of examples.

A. Requirements

(1) Any crop insurance document requiring a signature must be signed by the person whose signature is required (e.g., the applicant must sign the Application);

(2) A signature must be a pen-and-ink signature or an acceptable electronic (digital) signature in accordance with the AIP's established EBIP and the Electronic Signatures in Global and National Commerce Act (15 U.S.C. §7001–§7006);

(3) A POA or other legally sufficient document is required for any person who is authorized to sign on behalf of the person whose signature is required;

Exception 1: For the individual-married (spousal) person type, the spouse named as the SBI can sign any crop insurance document on behalf of the named insured without a POA.

Exception 2: For the individual operating as a business person type, the spouses named as SBIs can sign any crop insurance document on behalf of the owner or authorized representative without a POA.

(4) If the applicant is a minor, the parent or court-appointed guardian must sign all documents that require a signature unless the minor has been legally emancipated;

(5) Signatures must be obtained at the time of collection from the insured consistent with the signature guidelines required for each crop insurance document (e.g., acreage report must be signed by ARD); and

(6) Rubber or similar signature or date stamps are not acceptable; this includes but is not limited to the copying of a signature from any document and pasting or affixing the signature to any crop insurance document in any format on any platform (e.g., Adobe Acrobat, Microsoft Word, etc.).

B. Acceptable Signature Types

Acceptable signatures for crop insurance include the:

(1) signature of the named insured;

(2) signature of the authorized representative (or attorney-in-fact) granted by a POA;

(3) signature of the authorized representative granted by a legally sufficient document (e.g., Articles of Incorporation granting signature authority to the president of a corporation);

B. Acceptable Signature Types (Continued)

(4) signature of the spouse named as SBI for the individual-married (spousal) and individual operating as a business person types; and

Example: Spouse 1 applies for crop insurance as individual-married (spousal) person type and signs the application. Spouse 1 is the named insured and spouse 2 is named as the SBI. Spouse 2 can sign any document related to the crop insurance policy.

(5) signature of the authorized signer granted by non-substantive signatory statement. See Exh. 4B for a list of items an authorized signer may or may not be allowed to execute/sign.

For the notice of loss(es) and delayed claim(s) reporting, notice provided by the insured, either orally by phone or written by email, to the agent is considered a signature for the applicable form. See the LAM for more information.

C. When a POA or Other Legally Sufficient Documentation is Required

The POA or other legally sufficient document (such as the Articles of Incorporation) must identify who is authorized to sign the initial Application and represents the original agreement between the person granting authority and its authorized representative.

Note: The Application does not represent the original agreement between the grantor and its authorized representative (e.g., authority granted through a POA, or authority granted through Articles of Incorporation). The Application or policy change form does represent the original agreement between the named insured and the authorized signer who is assigned signature authority by the non-substantive signatory statement.

Example 1: An individual operating as a business person type, where the sole proprietor signs the Application then assigns the signature authority to another person by using the non-substantive signatory statement, represents the original agreement between the sole proprietor and the authorized signer.

Example 2: For the partnership person type, the partnership agreement must identify the authorized representative who may sign the Application. The authorized representative, identified by the partnership agreement, then assigns signatory authority using the non-substantive signatory statement to another person. The partnership agreement evidences the original agreement between the partnership and its authorized representative, and the non-substantive signatory evidences the assignment of this authority to the authorized signer.

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D. Non-Substantive Signatory Statement

(1) General

The DSSH provides a non-substantive statement that allows the named insured or its authorized representative to designate person(s) who are authorized to sign crop insurance documents on its behalf. If the AIP elects to utilize the non-substantive statement contained on the Application or Policy Change form in the DSSH, then the Application or Policy Change is deemed to be a legally sufficient document that allows for the person to sign on behalf of the named insured or its authorized representative, notwithstanding individual State signature authority requirements.

(2) Notarization requirements

If the named insured or its authorized representative grants authority on the Application, the Application is not subject to the signature requirements of the State. If the named insured or its authorized representative provides a POA to the AIP, the POA must be notarized in accordance with the signature requirements of the State.

Example: The State requires that signature authority, which binds a person to the terms of the document being signed, must be notarized. If the AIP elects to utilize the non-substantive statement contained in the DSSH for the Application, the named insured or its authorized representative may elect to grant signature authority on the Application or provide a separate POA.

(3) Effective date

The non-substantive signatory statement is effective from the date it is signed until it is rescinded, revoked, or dissolved. For example, the named insured or its authorized representative signs the statement on the Application, accordingly, any subsequent crop insurance documents may be signed by the authorized signer until the authority is rescinded, revoked, or dissolved. Additionally, the death, disappearance or judicially declared incompetence of the named insured rescinds the signatory statement in accordance with the timelines regarding policy cancellation in Para. 231. The non-substantive signatory statement is considered rescinded, revoked, or dissolved when a change of insurance plans requires a new initial Application.

(4) Authorized Actions

The named insured or its authorized representative must sign the initial Application. The authorized signer is not allowed to execute or cancel a policy.

A Policy Change that only modifies an existing Application allows a non-substantive signatory statement to remain in effect on the existing Application, unless canceled or revoked by the Policy Change. See Exh. 4B for a non-exhaustive list of actions an authorized signer may take.

Insureds may grant a third-party the authority to sign crop insurance documents on their behalf if a legally executed POA is provided to the AIP. The person authorized to sign is the attorney-in-fact.

A. POA Types

(1) A POA that is executed in accordance with the laws of the State of execution is acceptable for crop insurance purposes. Such POA must be in writing and specify the powers granted to the authorized representative by the grantor. A POA is executed when it is signed.

(2) A POA that is executed according to Federal authorities, such as an FSA Power of Attorney, is acceptable. An acceptable POA executed according to Federal authorities is a POA that includes language that the form is applicable for crop insurance purposes. A form executed in accordance with Federal authorities is a form that has been approved by the Office of Management and Budget.

Note: A POA developed by an AIP, in accordance with the standards provided by the DSSH, is not considered a "Federal form" executed according to Federal authorities, unlike the FSA POA which is a Federal form that supersedes State law. Any AIP developed POA requires compliance with State law.

B. POA Requirements

(1) Authority

POAs which grant authority to sign contracts and legally bind the grantor(s) are sufficient for crop insurance purposes. The POA must specify the person authorized, the period of authorization, and powers granted.

Exception: Oral or open powers of attorney are not acceptable. An oral or open POA is a POA that does not specify who the authorized representative receiving the power is at the time of execution.

(2) Notarization

In States that require POAs to be notarized, the signatures of the grantor and grantee must be notarized. If notarization is not required by the State, the signatures of the grantor and grantee must be witnessed, and the signatures of the witness obtained on the document.

C. Filing Requirement

A POA must be filed with the office where the official insurance file is maintained and must remain in full force and effect until written notice of its revocation has been received by the office maintaining the official insurance file. The revocation must maintain in the official insurance file.

D. Voidance

If the grantor of the POA dies, disappears, or is judicially declared incompetent, then the POA is void.

Exception: In the case of judicial declaration of incompetence, if the POA grants the authority for the person identified to maintain its signature authority, then the POA may not be void.

E. COI

An agent, loss adjuster, and AIP authorized representative's use of a POA to act on behalf of an insured may be limited by the COI requirements contained in the SRA.

856–870 (Reserved)

Section 4: (Reserved)

871–900 (Reserved)

PARTS 9–11: (RESERVED)

901–1200 (Reserved)

PART 12: DETERMINING INSURABLE SHARE

1201 Insurable Share

(1) An insurable share is the percentage of interest in the insured crop the owner, owner-operator, tenant, or sharecropper has at the time insurance attaches. An insurable share of the crop means the insured has a financial risk directly related to the production of the crop (receives all or part of a crop) as an owner-operator, landlord, sharecropper, or tenant at the time insurance attaches.

(a) A landlord is the person who holds the ownership interest to the land that is leased or rented to another person, called the tenant, on which the crop is grown. The landlord receives a cash payment or a share of the crop as a lease or as rental payment from the tenant.

(b) The tenant is the person who holds the possessory interest in the land that is leased/rented from the landlord. The tenant pays the landlord for use of the land by cash or share of the crop.

(c) Owner-operator is a person who holds an ownership interest to the land on which the crop is grown.

(d) Sharecropper is a person who works the land for a share of the crop produced on the land.

(e) To have an insurable share, the tenant or owner-operator must:

(i) produce the crop;

(ii) exercise managerial control relating to producing and marketing the crop (e.g., controls what to plant, when to plant, when to till, cultivate, irrigate, fertilize, spray, harvest, market, etc.);

(iii) carry all or part of the financial risk (e.g., including making credit arrangements, if applicable) related to producing the crop;

(iv) own, rent, or lease the farming equipment, make arrangements to obtain equipment, or hire custom work directly related to the production and harvest of the crop;

(v) hire, manage, and be responsible for the payment of the labor; or

(vi) purchase all inputs (e.g., seed, fertilizer, pesticides, herbicides, etc.).

(f) To have a 100 percent insurable share, the tenant or owner-operator must satisfy all the requirements in (e) in this Subpara., including having 100 percent of the financial risk.

(i) If any of the requirements of (e) in this Subpara. are not satisfied, the tenant or owner-operator will have an insurable share that is less than 100 percent.

(ii) The insured may be required to provide documentation demonstrating that all the requirements in (e) in this Subpara. have been met.

(iii) To the extent that any of the functions stated in (e) in this Subpara. are shared with another entity, the tenant or owner-operator does not have a 100 percent share.

(g) If less than a 100 percent share, the amount of insurable share is determined by the extent by which the tenant or owner-operator performs the functions stated in (e) in this Subpara. or the amount of compensation provided to any other entity to perform the function.

(2) Insurance share

(a) Insurance will cover only the share of the crop owned by the person who completed the Application unless the accepted Application clearly indicates insurance is requested for a partnership or joint venture or is intended to cover the landlord's or tenant's share of the crop.

(b) The share will not extend to any other person having an interest in the crop except as may be specifically allowed in the policy or CAT Endorsement.

(c) The interest of spouses, children, or other household members in most cases will be insured under one person and have only one policy number issued. See Para. 251 for exceptions that allow spouses and children to have separate policies.

(3) Requirements for landlord or tenant to insure the other's share (see Para. 252).

(4) The insured establishes their insurable share on the AR by reporting the share insurable at the time insurance attached. However, only for the purpose of determining the amount of indemnity: If, during the final loss adjustment inspection, it is determined that the insured's share differs from what it was at the time insurance attached, the insured's share will be the lesser of what:

(a) it was at the time insurance attached, or

(b) the AIP determines to be the share at the earlier of:

(i) the time of loss, or

(ii) the beginning of harvest of the unit, unless excepted by the specific crop policy.

1202 Share Arrangements (Written or Verbal)

(1) 100 percent crop share (Cash Lease)

(a) 100 percent crop shares include 100 percent share as owner/operator and/or land that is rented for cash, a fixed commodity payment, or any consideration other than a share in the crop.

(b) A lease that provides for EITHER a minimum payment (such as a specified amount of cash, bushels, pounds, etc.) OR a crop share is considered a cash lease (e.g., lease provides for a 50/50 crop share or $100 dollars, whichever is greater).

(c) A lease that contains a crop share but the percentage is not a fixed amount at the time coverage begins is considered a cash lease. Such leases may contain a cash consideration with an undetermined crop share percentage at the time coverage begins.

(2) Crop Share (Crop Share Lease)

(a) In order to have a crop share, the crop share percentage must be specified at the time coverage begins and cannot change based on the amount of production harvested (see examples 4 and 8 in Para. 1203).

(b) Written or verbal lease agreements containing provisions for BOTH a minimum payment (e.g., specified amount of cash, bushels, pounds, etc.) AND a crop share is considered a crop share lease.

1203 Share Arrangement Examples

Example 1: The tenant (insured) agrees to give the landlord 1/3 of the crop in return for farming the land.

(1) The agreement is a crop share.

(2) The insured's share is 2/3 of the crop.

Example 2: The tenant (insured) agrees to give the landlord 1/3 of all the crops produced on the premises and to guarantee that the landlord's share of the crops will average $35 an acre. In the event that the landlord's share of the crops is worth less than $35 an acre, the tenant will pay the difference in cash to the landlord.

(1) The agreement is a crop share.

(2) The insured's share is 2/3 of the crop.

Example 3: The tenant (insured) agrees to give the landlord $50 per acre cash and 1/4 of the crop in return for farming the land.

(1) The agreement is a crop share.

(2) The insured's share is 3/4 of the crop. We do not convert the $50 per acre cash payment to a share basis.

Example 4: The tenant (insured) agrees to give the landlord $50 per acre cash and 1/3 of all the bushels in excess of 60 bushels per acre. (Average yields for the area are usually around 55–65 bushels.)

(1) The agreement is a cash lease.

(2) The insured's share is 100 percent. The bushels in excess of the 60 bushels per acre are a "bonus" above and beyond the insured crop. The share percentage of the entire crop cannot be determined at the time coverage begins since it is dependent on how many bushels in excess of 60 bushels will be produced.

Example 5: The tenant (insured) agrees to give the landlord $50 per acre cash and 10 bushels per acre.

(1) The agreement is a cash lease.

(2) The insured's share is 100 percent. We do not convert the 10 bushels to a percentage share. In this scenario the tenant will pay the landlord a fixed amount, cash ($50) and commodity (10 bushels per acre).

Example 6: The tenant (insured) agrees to give the landlord 25¢ for every bushel of peaches harvested.

(1) The agreement is a cash lease.

(2) The insured's share is 100 percent. Because there is no agreement for a set share percentage of the crop at the time coverage begins, the insured's share must be considered a cash lease.

Example 7: The tenant (insured) agrees to pay the landlord $25 per acre OR 1/4 of the crop, whichever is greater.

(1) The agreement is a cash lease.

(2) The insured's share is 100 percent. Since the lease contains an either/or type arrangement, the share cannot be considered a fixed element of the lease.

Example 8: The tenant's (insured's) lease agreement states that the tenant will receive the first 85 bushels per acre of corn produced. Of any bushels in excess of 85 bushels per acre, the tenant will receive 60 percent, and the landlord will receive 40 percent. The insured's guarantee is 85 bushels and is based on the highest level of coverage that can be elected.

(1) The agreement is a cash lease.

(2) The insured's share is 100 percent. Since the insured receives the first 85 bushels and this amount is the insured's guarantee, 85 bushels is the maximum amount that could be insured under the policy.

Example 9: Flexible Share Arrangement. The tenant's (insured's) APH is 17.0 tons per acre. The tenant's lease agreement contains the following schedule:

Tons produced	Tenant's share	Landowner's share
0.0–8.0	98%	2%
8.1–12.0	96%	4%
12.1–16.0	94%	6%
16.1–20.0	90%	10%
20.1–25.0	88%	12%
25.1+	85%	15%

(1) The agreement is a share arrangement, since there is no mention of cash.

(2) The base share is derived from the tenant's (insured's) APH. Therefore, the share percentage range for the insured's (tenant's) APH reported on the AR would be 90 percent. Since the share is to be established at the time insurance attaches and both still have a share in the crop at the end of the CY, the share percentage established at the time insurance attached will be retained for indemnity and premium purposes.

1204 Spousal Shares

Generally, spouses share in the same farming operation(s).

Two married individuals (spouses) are considered to be an individual person type (individual-married (spousal)) for crop insurance purposes (see Para. 251), thus allowing only one policy with only one share shown for both on the AR, even when FSA recognizes a married couple who shares in the same farming operation as "two persons" for the purpose of farm program payment limitations and requires only one policy to participate in FSA programs to be signed by the married couple. Such married couples are still considered to be an individual-married (spousal) for crop insurance purposes.

1205–1300 (Reserved)

EXHIBITS

Exhibit 1 Approved Acronyms and Abbreviations

Acronym/ Abbreviation	Term/Full Title	Acronym/ Abbreviation	Term/Full Title
AAA	American Arbitration Association	**CCD**	Contract Change Date
AAP	Actual Average Percentage	**CCIP**	Common Crop Insurance Policy, Basic Provisions
ACRSI	Acreage Crop Reporting Streamlining Initiative	**CCPB**	California Cling Peach Board
ACT	Federal Crop Insurance Act (Pub. L. 104–127)	**CE**	Controlled Environment
AD	Actuarial Documents	**CEPP**	Commodity Exchange Price Provisions
AF	Annual Forage	**CES**	Cooperative Extension Service
AIB	Actuarial Information Browser	**CFO**	RMA Compliance Field Office
AIP	Approved Insurance Provider	**CFR**	Code of Federal Regulations
AMBA	American Malt Barley Association	**CIH**	FCIC-18010 Crop Insurance Handbook
AMS	Agricultural Marketing Service	**CIMS**	Comprehensive Information Management System
APH	Actual Production History	**CIS**	Citizenship and Immigration Service
AR	Acreage Report	**CLU**	FSA Common Land Unit (Field)
ARD	Acreage Reporting Date	**COI**	Conflict of Interest
ARH	Actual Revenue History	**COL**	Cause of Loss
ARP	Area Revenue Protection	**CP**	Crop Provisions
ARPA	Agricultural Risk Protection Act of 2000 (Pub. L. 106–224)	**CPA**	Contract Price Addendum
ARPHPE	Area Revenue Protection with the Harvest Price Exclusion	**CPF**	Commingled Production Factor
ARPI	Area Risk Protection Insurance Policy, Basic Provisions	**CPO**	Contract Price Option
ASA	American Society of Agronomy	**CRP**	Conservation Reserve Program
ATTRA	Appropriate Technology Transfer for Rural Areas	**CTV**	Comprehensive Tree Value
AUP	American Upland Cotton	**CWC**	Chemical Weed Control
AYP	Area Yield Protection	**CY(s)**	Crop Year(s)
BFR	Beginning Farmer and/or Rancher	**DF**	Discount Factor
BIA	Bureau of Indian Affairs	**DNP**	Do Not Pay
BP	Basic Provisions	**DO**	Dollar Amount of Insurance Plan
BU	Basic Unit	**DP**	Default Percentage
BUD	Basic Unit Discount	**DRP**	Dairy Revenue Protection
CAT	Catastrophic Risk Protection Endorsement	**DSSH**	FCIC-24040 Document and Supplemental Standards Handbook
CBP	Customs and Border Patrol	**DY**	Determined Yield
CC	Continuous Cropping	**EBIP**	Electronic Business Implementation Plan
CCC	Commodity Credit Corporation	**EC**	Enterprise Unit by Cropping Practice

Acronym/ Abbreviation	Term/Full Title	Acronym/ Abbreviation	Term/Full Title
EDP	Electronic Data Processing	**GPS**	Global Positioning System
EHA	Early Harvest Adjustment Option	**GSH**	FCIC-18090 General Standards Handbook
EHS	FCIC-14050 External Handbook Standards	**GSI**	Growing Season Inspection
EI	Enterprise Unit by Irrigation Practice	**GWSS**	Glassy Winged Sharpshooter Infestation
EIN	Employer Identification Number	**H**	Harvest
ELAP	Emergency Livestock Assistance Program	**HELC**	Highly Erodible Land Conservation
ELS	Extra Long Staple Cotton	**HIP-WI**	Hurricane Insurance Protection - Wind Index
EO	Enterprise Unit by Organic Practice	**HRLEO**	High-Risk Land Exclusion Option
EOI(P)	End of Insurance (Period)	**IBR**	Inter-tilled Between Rows
EPLS	Excluded Parties List System	**IDY**	Individual Determined Yields
ET	Enterprise Unit by Type	**INA**	Immigration and Nationality Act
EU	Enterprise Unit	**INS**	Immigration and Naturalization Service
EXH	Exhibit	**IPRD**	Insured's Production Reporting Date
FAA	Federal Arbitration Act	**IRR**	Irrigated
FAC	Following Another Crop	**IRS**	Internal Revenue Service
FAD	Final Agency Determination	**ISH**	Insurance Standards Handbook
FB	Feed Barley	**ISO**	International Organization for Standardization
FCI	Federal Crop Insurance	**ITIN**	Individual Tax Identification Number
FCIC	Federal Crop Insurance Corporation	**ITM**	Information Technology Management
FGIS	Federal Grain Inspection Service	**ITS**	Ineligible Tracking System
FIPS	Federal Information Processing System	**LAC**	Loss Adjustment Contractor
FM	Foreign Material	**LAF**	Liability Adjustment Factor
FN	Farm Number	**LAM**	FCIC-25010 Loss Adjustment Manual
FPD	Final Planting Date	**LASH**	Loss Adjustment Standards Handbook
FSA	Farm Service Agency	**LFP**	Livestock Forage Disaster Program
FT	Footnote	**LGM**	Livestock Gross Margin
GeoJSON	Geographic JavaScript Object Notation	**LIP**	Livestock Indemnity Program
GFP	Good Farming Practices	**LMP**	Local Market Price
GIPSA	Grain Inspection, Packers, and Stockyards Administration	**LP**	Late Planting
GIS	Geographical Information System	**LPD**	Late Planting Date
GPA	Guarantee Per Acre	**LPD**	Late Payment of Debt (ITS Only)

Acronym/ Abbreviation	Term/Full Title	Acronym/ Abbreviation	Term/Full Title
LPP	Late Planting Period	**P/T**	Practice/Type
LPRA	Livestock Price Reinsurance Agreement	**PAAD**	RMA, PM Product Analysis and Accounting Division
LRP	Livestock Risk Protection	**PACE**	Post Application Coverage Endorsement
LRR	Late Reporting Reduction	**PAIR**	Perennial Crop Pre-Acceptance Inspection Report
MCEU	Multi-County Enterprise Unit Endorsement	**PARA or Para**	Paragraph
MCO	Margin Coverage Option	**PASD**	RMA, PM, Product Administration and Standards Division
MI	Misreported Information	**PASS**	Policy Acceptance and Storage System
MPCI	Multiple Peril Crop Insurance	**PAW**	Pre-Acceptance Worksheet
MRIV	Machine Readable Immigrant Visa	**PF**	Protection Factor
MY	Master Yield	**PIL**	Policy Issue Log
NAD	National Appeals Division	**P.L.**	Public Law
NAICC	National Alliance of Independent Crop Consultants	**PLSS**	Public Land Survey System
NAP	FSA's Noninsured Crop Disaster Assistance Program	**PM**	RMA, Product Management
NASS	National Agricultural Statistics Service	**POA**	Power of Attorney
NCIS	National Crop Insurance Services	**PP**	Prevented Planting
NDS	Non-Disclosure Statement	**PPB**	Parts per Billion
NFAC	Not Following Another Crop	**PPM**	Parts per Million
NIBR	Not Inter-tilled Between Rows	**PPSH**	FCIC-25370 Prevented Planting Standards Handbook
NIRR	Non-irrigated	**PRD**	Production Reporting Date
NOAA	National Oceanic and Atmospheric Administration	**PRF**	Pasture, Rangeland, Forage
NOL	Notice of Loss	**PRH**	Production and Revenue History
NOP	National Organic Program	**PRV**	Pecan Revenue
NPS	No Practice Specified	**PRWORA**	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
NRCS	Natural Resources Conservation Service	**PTC**	Production to Count
NRS	Non-Reinsured Supplemental policy	**PW**	Production Worksheet
NVS	Nursery Value Select Pilot Crop	**QAF**	Quality Adjustment Factor
OC	Organic Certified	**QL**	Quality Loss Option
OFPA	Organic Foods Protection Act	**RAN**	RMA Assigned Number
OPI	Office of Primary Interest	**RI**	Rainfall Index
OT	Organic Transitional	**RIV**	Reduction in Value
OU	Optional Unit	**RLU**	Resource Land Unit (Field)

Acronym/ Abbreviation	Term/Full Title	Acronym/ Abbreviation	Term/Full Title
RMA	Risk Management Agency	**TW**	Test Weight
RMSD	RMA, Insurance Services, Risk Management Services Division	**TWF**	Test Weight Factor
RO	RMA, Insurance Services, Regional Office	**TWPF**	Test Weight Pack Factor
RP	Revenue Protection	**T-Yield**	Transitional Yield
RPHPE	Revenue Protection Harvest Price Exclusion	**UA**	Unit Structure Code for WUA
RSA	Representative Sample Area	**UAS**	Unmanned Aerial System
RSC	Representative Sample of Crop	**UAV**	Unmanned Aerial Vehicle
RSD	RMA, Reinsurance Services Division	**UD**	Unit Structure Code for Unit Division Option
RY	Reinsurance Year	**UDO**	Unit Division Option
RYAF	Reference Year Adjustment Factor	**UDGO**	Unit Division by Grid Option
SARE	Sustainable Agriculture Research and Education	**UG**	Underwriting Guide
SA-T	Simple Average T-Yield	**UH**	Unharvested
SBI	Substantial Beneficial Interest	**U.S.**	United States
SCD	Sales Closing Date	**U.S.C.**	United States Code
SCO	Supplemental Coverage Option	**USDA**	United States Department of Agriculture
SCP	Simplified Claims Process	**USGSA**	United States Grain Standards Act
SEC	Section	**USICE**	United States Immigration and Customs Enforcement
SF	Summerfallow	**USNG**	United States National Grid
SIR	Sprinkler Irrigated Rice	**USWA**	United States Warehouse Act
SNR	Signal to Noise Ratio	**UUF**	Unavoidable Uninsured Fire
SP	Special Provisions	**UTM**	Universal Transverse Mercator
SRA	Standard Reinsurance Agreement	**VFR**	Veteran Farmer or Rancher
SRH	Summary of Revenue History	**WA**	Written Agreement
SSA	Social Security Administration	**WAH**	FCIC-24020 Written Agreement Handbook
SSN	Social Security Number	**WC**	Wetland Conservation
STAX	Stacked Income Protection Plan	**WCE**	Winter Coverage Endorsement
Subpara	Subparagraph	**WFRP**	Whole-Farm Revenue Protection (Pilot)
TA	Trend-Adjusted APH	**WSG84**	World Geodetic System 1984
TAP	Tree Assistance Program	**WU**	Whole-Farm Unit
TDO	Tree Based Dollar Amount of Insurance	**WUA**	Written Unit Agreement
TIN	Tax Identification Number	**XML**	Extensible Markup Language
TMA	T-Yield Map Area	**YA**	Yield Adjustment 60%
TS	Tropical Storm	**YC**	Yield Cup

Exhibit 1 Acronyms and Abbreviations (Continued)

Acronym/ Abbreviation	Term/Full Title	Acronym/ Abbreviation	Term/Full Title
YE	Yield Exclusion	**ZMV**	Zero Market Value
YP	Yield Protection		

Abandon: Failure to continue to care for the crop, providing care so insignificant as to provide no benefit to the crop, or failure to harvest in a timely manner, unless an insured COL prevents the insured from properly caring for or harvesting the crop or causes damage to it to the extent that most producers of the crop on acreage with similar characteristics in the area would not normally further care for or harvest the crop.

Acreage Insurable under the Irrigated Practice: Insurable acreage for which the insured can demonstrate, to the AIP's satisfaction, that adequate facilities and water existed, at the time insurance attached to carry out a good irrigation practice for the insured crop. The insured is responsible for demonstrating that, at the time insurance attached, there was a reasonable expectation of receiving adequate water to carry out a good irrigation practice on acreage insured under the irrigated practice.

Acreage Report (AR): A report required by the BP that contains, in addition to other required information, the insured's share of all acreage of an insured crop in the county whether insurable, not insurable, or uninsured.

Acreage Reporting Date (ARD): The date contained in the SP or as provided in the BP by which insureds are required to submit AR.

Actual Production: The harvested and/or appraised amount of an agricultural commodity in number of pounds, bushels, tons, cartons, or other units of measure as provided in the applicable CP.

Actual Production History (APH): A determination of the production guarantee using the insured's historical actual production for the crop, as applicable.

Actual Yield: The yield per acre based on actual production from the planted or grown acreage, in accordance with BP section 5(b).

Actuarial: The statistical computation of probable risks and rates according to recorded facts. Includes all related documents.

Actuarial Documents (AD): The information for the CY which is available for public inspection in the insured's agent's office and published on RMA's website and which shows available crop insurance policies, coverage levels, information needed to determine amounts of insurance, prices, premium rates, premium adjustment percentages, practices, particular types or varieties of the insurable crop, insurable acreage, and other related information regarding crop insurance in the county.

Added Crop, Practice or Type: An insured crop or P/T of the insured crop as identified on the AD that requires a separate APH yield, administered on a county/crop basis, for which the insured has not been engaged in farming for a share of the P/T's production in the farming operation.

Added Land: Cropland acreage (irrespective of crops) added for the current CY to the insured person's farming operation within the county. For crops with a lag year, the previous CY is used to determine the added land instead of the current CY. For acreage to be considered added land, the insured must not have been previously engaged in farming for a share of any crop on that acreage.

Added Land/New Database With Records (Category B Crops): Added land or a new database for which acceptable production reports, based upon the production records obtained from a person sharing in the crop/P/T's production for the current CY or transferred APH data, have been filed on or before the production reporting date for the current CY by the insured or to which assigned yields apply.

Added Land/New Database Without Records (Category B Crops): Added land or a new database for which acceptable production reports have not been filed on or before the production reporting date for the current CY and has not been planted to the crop by the insured or to which assigned yields do not apply.

Added Insurable Acreage (Category C Crops): Acreage that becomes insurable in the current policy crop year because policy requirements for minimum production and/or age are met.

Additional Coverage: A level of coverage greater than CAT.

Additional Price Election: A price election released subsequent to the release of the price election and at least 15 days prior to the SCD that is based on additional data or information that has become available after the initial price election release and allows a more accurate price projection to be made. The additional price election must be higher than the price election.

Adjusted Yield: The average of the annual yields in the APH database: without yield limitations (cups and floors); without any YE; and with yield substitutions, if YA is elected by the insured. If YA is not elected by the insured, yield substitutions are not included and the adjusted yield is the average of the annual yields in the APH database. However, when yield reductions apply to the APH database, the adjusted yield must equal the approved yield.

Adjuster: Refer to Loss Adjuster. Also known as claims adjuster.

Administrative Fee: An amount an insured must pay for CAT, and additional coverage for each CY as specified in the BP and CAT Endorsement.

Affiliate: as defined by the SRA.

Agent: An individual who is licensed by the State in which an eligible crop insurance contract is sold and serviced for the RY; and who is authorized by the Company, or the Company's designee, to sell and service such eligible crop insurance contract.

Agricultural Commodity: Any crop or other commodity produced, regardless of whether or not it is insurable.

Agricultural Experts: Same as the definition contained in the GFP Handbook.

Agricultural Marketing Service (AMS): An agency, the Agricultural Marketing Service, or its successor, of the USDA.

AIP Inspection: An inspection initiated by the AIP. These inspections may be initiated where misrepresentation is suspected or where routine spot checks are being performed.

Annual Crop: An agricultural commodity that normally must be planted each year.

Annual Yield: A yield per acre for a CY, used to complete the APH base period in an APH database. An annual yield may be any of the following: actual yield, assigned yield, T-Yield, or other yield calculated according to FCIC-approved procedures.

Another Use, Notice of: The written notice required when the insured wishes to put acreage to another use. Refer to Other Use.

APH Base Period: A minimum of four, up to a maximum of 10, most recent consecutive APH crop years for which continuous production reports are available, or as otherwise specified in the CP or SP. The APH base period includes the most recent APH crop year's annual yield unless a lag year(s) applies to the crop, in which case, the most recent annual yield will be the CY prior to the current CY as specified in FCIC-approved procedures.

APH Database: A series of consecutive, annual yields that include the respective acreage and actual production, when applicable, used to determine each annual yield, for each APH crop year in the APH base period.

APH Plan of Insurance: A plan of insurance that only provides protection against a production loss and is only available for crops in counties for which revenue protection is not available.

Applicable T-Yield: The T-Yield in effect, as specified in FCIC-approved procedures, for an APH database. For instance, if a SA T-Yield is in effect for an APH database, the SA T-Yield is the applicable T-Yield for the APH database for purposes such as yield substitution or yield limitations; or, if a published T-Yield is in effect for an APH database, the published T-Yield is the applicable T-Yield for the APH database for purposes such as yield substitution or yield limitations.

Applicant: A person who has submitted an Application for crop insurance under the authority of the ACT.

Application: The form required to be completed by the applicant/insured and accepted by the AIP before insurance coverage begins. This form must be completed and filed in the insured's agent's office not later than the SCD of the initial insurance year for each crop for which insurance coverage is requested.

Appraisal Worksheet: A form used by an adjuster to enter appraisal information such as plant counts, tillers, sample weights, etc., to compute appraisals on unharvested or damaged crop acreage.

Appraised Production (APH): Unharvested potential crop production determined by us, or any other person authorized by FCIC, that includes both total production and any adjustments as provided in the applicable Crop Provisions or FCIC approved procedures used in calculating actual yields.

Appraised Production (Loss): Production from unharvested acreage determined by the AIP that reflects potential production for the crop at the time of appraisal. Appraised production can also be production assessed (harvested or unharvested acreage) for uninsured causes, destroying or putting acreage to another use without consent, abandoned acreage, or the insured's failure to provide records of production that are acceptable.

Approved Yield: The yield calculated by the AIP, or any other person authorized by FCIC, based on annual yields contained in the APH database to establish the production guarantee calculated in accordance with the policy.

Approved Insurance Provider (AIP): A legal entity, including the Company, which has entered into an SRA with FCIC for the applicable RY.

Area - CCIP: Land surrounding the insured acreage with geographic characteristics, topography, soil types, and climatic conditions similar to the insured acreage.

Area - ARPI: The general geographical region in which the insured acreage is located, designated generally as a county but may be a smaller or larger geographical area as specified in the AD.

Area Loss Trigger: The percent of expected area yield or revenue, as applicable, below which an indemnity is paid.

Area Revenue Protection (ARP): A plan of insurance that provides protection against loss of revenue due to a county level production loss, a price decline, or a combination of both. This plan also includes upside harvest price protection, which increases the policy protection at the end of the insurance period if the harvest price is greater than the projected price and if there is a production loss.

Area Revenue Protection with the Harvest Price Exclusion (ARPHPE): A plan of insurance that provides protection against loss of revenue due to a county level production loss, price decline, or a combination of both. This plan does not provide upside harvest price protection.

Area Risk Protection Insurance (ARPI): Insurance coverage based on an area, not an individual, yield or revenue amount. There are three plans of insurance available under ARPI: ARP, ARPHPE, and AYP.

Area Yield Protection (AYP): A plan of insurance that provides protection against loss of yield due to a county level production loss. This plan does not provide protection against loss of revenue or upside harvest price protection.

Assigned Yield: An annual yield assigned according to FCIC-approved procedures for an APH crop year when an insured does not file an acceptable production report, or upon request by the AIP, or any other person authorized by FCIC, the insured does not provide acceptable evidence of acreage and production records to support their production report. The assigned yield will not be more than 75 percent of the prior year's approved yield or 65 percent of the applicable T-Yield if a prior year's approved yield is not available.

Assignment of Indemnity: A transfer of policy rights, made on the AIP's form, and effective when approved by the AIP in writing, whereby the insured assigns their right to an indemnity payment for the CY only to creditors or other persons to whom the insured has a financial debt or other pecuniary obligation.

Assuming Agent: An AIP agent who assumes the contracts that were previously serviced by another AIP.

Assuming AIP: AIP that assumes the contracts that were previously serviced by another AIP.

Authorized Person (ITS): Any current or past officer, employee, elected official, managing general agent, agent, or contractor of an AIP, FCIC, or any other government agency whose duties required access to the ITS to administer the ACT.

Authorized Representative (Insured's): Any person authorized by the insured to conduct crop insurance business, including the authority to sign documents, on behalf of the insured (e.g., POA, or authorized representative of a corporation, etc.). The authorization must be a legally executed agreement in writing which indicates the representative's name and details the authority granted.

Authorized Signer: An individual given authority by a non-substantive signatory statement to execute specific crop insurance documents on behalf of the named insured.

Average Yield: The average of the annual yields for all APH crop years within the APH database calculated by us, or any other person authorized by FCIC, in accordance with BP section 5(c).

Base Policy (for HRLEO only): The additional coverage policy for the crop/county providing coverage for all insurable non-high-risk acres.

Basic Unit (BU): All insurable acreage of the insured crop in the county on the date coverage begins for the CY (excluding acreage reported and insured as an EU in which the remaining insurable acreage is reported and insured as a BU or OU): (1) In which the insured has 100 percent crop share; or (2) That is owned by one person and operated by another person on a share basis (e.g., if, in addition to the land owned by the insured, the insured rents land from five landlords, three on a crop share basis and two on a cash basis, the insured would be entitled to four units; one for each crop share lease and one that combines the two cash leases and the land owned). Land that would otherwise be one unit may, in certain instances, be divided according to guidelines contained in the BP and in the applicable CP.

Beginning Farmer or Rancher (BFR): An individual who has not actively operated and managed a farm or ranch in any State, with an insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 10 CYs. An individual's insurable interest in any crop year may be excluded at the request of the individual if the interest was held by the individual while:

(1) under the age of 18;

(2) in full-time military service of the U.S.; or

(3) in post-secondary education.

A person other than an individual may be eligible for BFR benefits if there is at least one individual SBI holder and all individual SBI holders qualify as a BFR.

Beneficiary (Loss): A person, determined by the AIP, to receive indemnity payments, in the event of the death of the original policyholder.

Block: Trees, vines, bushes, or plants in an orchard, vineyard, plantation, field, or bog of a single or mixed age and density, separated by applicable practice, type, TMA, or other characteristics. Reporting by block allows production from underage trees/vines/bushes/plants or acreage not meeting production minimums to be maintained separately.

Buffer Zone: Acreage designated in the organic system plan that separates agricultural commodities grown under organic farming practices from those grown under non-organic farming practices. A buffer zone must be sufficient in size or other features, as stated in the NOP published in 7 CFR Part 205, to prevent or minimize the possibility of unintended contact by prohibited substances or organisms applied to adjacent land acres with an area that is part of the certified organic farming operation.

Buffer Zone Acreage: Acreage of the insured crop located in a buffer zone.

Cancellation: When the policy is no longer in effect as of the cancellation date.

Cancellation Date: The calendar date specified in the CP on which coverage for the crop will automatically renew unless canceled in writing by either the insured or the AIP or terminated or voided in accordance with the policy terms.

Carryover Insured: A person who was insured the previous year without respect to the AIP or plan of insurance for a crop policy (by county) basis.

Catastrophic Risk Protection - ARPI: Coverage equivalent to 65 percent of yield coverage and 45 percent of price coverage, unless otherwise specified in the SP, and is the minimum level of coverage offered by FCIC, as specified in the AD for the crop, type, and practice. CAT is not available with ARP or ARPHPE.

Catastrophic Risk Protection - CCIP: The minimum level of coverage offered by FCIC. CAT is not available with RP.

Catastrophic Risk Protection Endorsement (CAT): The part of the crop insurance policy that contains provisions of insurance that are specific to CAT.

Category B Crops: Generally are annual crops and include the following: Barley, Beans (Dry, including contract seed beans, Fresh Market, and Processing), Buckwheat, Cabbage, Camelina, Canola/Rapeseed, Corn, Cotton, Cultivated Wild Rice, ELS Cotton, Flax, Forage Production, Forage Seed, Grain Sorghum, Grass Seed, Millet, Mint, Mustard, Oats, Onions, Peanuts, Peas (Dry and Green), Popcorn, Potatoes, Processing Pumpkins, Processing Sweet Corn, Rice, Rye, Safflower, Sesame, Silage Sorghum, Soybeans, Strawberries, Sugar Beets, Sugarcane, Sunflower Seed, Tobacco, Tomatoes (Processing and Fresh Market Guaranteed Production), and Wheat.

Category C Crops: Perennial crops that include the following: Almonds, Apples, Arizona-California Citrus, Blueberries, California Avocado, Cranberries, Florida Avocado, Figs, Grapes, Hawaii Tropical Fruit (Banana, Coffee, and Papaya), Macadamia Nuts, Peaches, Pears, Pistachios, Prunes, Stonefruit (Apricots, Nectarines, Peaches, and Plums), Table Grapes, Texas Citrus Fruit, and Walnuts. ***

Category D Crops: Dollar Plan Crops that include the following: Citrus (Florida), Cultivated Clams, Florida Fruit Tree, Forage Seeding, Hawaii Tropical Tree, Hybrid Seed Corn, Hybrid Sorghum Seed, Hybrid Specialty Seed (Hybrid Popcorn Seed, Hybrid Sweet Corn Seed), Hybrid Wheat Seed, Peppers (Chile and Fresh Market), Raisins, Sweet Corn (Fresh Market), Tomatoes (Fresh Market-Dollar Plan).

Category G Crops: Includes the following: Controlled Environment, Nursery Value Select, and Turfgrass Value Select.

Ceding Agent: An AIP agent who cedes or transfers a contract (that the agent previously serviced) to another AIP agent.

Ceding AIP: The AIP that cedes or transfers a contract (that the AIP previously serviced) to another AIP.

Certificate (Organic): A written document that identifies the name of the person certified, effective date of certification, certificate number, types of products certified, and name and address of the certifying agent.

Certification (Organic): A determination made by a certifying agency that the production or handling operation is in compliance with the AMS NOP certification standards.

Certified Organic Acreage: Acreage in the certified organic farming operation that has been certified by a certifying agent as conforming to organic standards in accordance with the OFPA and 7 CFR Part 205.

Certifying Agent (Organic): A private or governmental entity accredited by the USDA Secretary of Agriculture for the purpose of certifying a production, processing or handling operation as organic.

Cherry Pick: To harvest or remove a portion of the crop from the crop acreage by selecting the best or most desirable fruit production including quality by either hand or mechanical harvesting while leaving less desirable fruit unharvested on the crop acreage.

Circumference: The distance around the outer boundary of a circular structure, such as a grain bin.

Claim for Indemnity: A claim made on the AIPs form that contains the information necessary to pay the indemnity as specified in the applicable FCIC procedures.

Claim Form: An insurance document used to record appraisals of potential or assessed production, unharvested and harvested PTC, and acres by practice and type from which an indemnity will be computed.

Claims Supervisor: Any person having immediate or day-to-day supervisory control, management or oversight authority of the activities of loss adjusters or other persons who determine whether an indemnity will be paid and the amount thereof.

Class: A specific subgroup of commodity type.

Classified Land (Insurable Land): Land on which both a coverage and rate have been established in the county AD, making crops shown on the table that are grown on the land eligible for insurance.

Code of Federal Regulations (CFR): The codification of general and permanent rules published in the Federal Register by the Executive departments and agencies of the Federal Government. Rules published in the Federal Register by FCIC are contained in 7 CFR chapter IV. The full text of the CFR is available in electronic format at www.ecfr.gov or a successor website.

Commodity Exchange Price Provisions (CEPP): A part of the policy that is used for all crops for which RP is available, regardless of whether an insured elects RP or YP for such crops. This document includes the information necessary to derive the projected price and the harvest price for the insured crop, as applicable.

Companion Policy: Crop insurance contracts of individuals having a share in the same crop/crop units for the CY.

Comparable Acreage: Acreage on the insured's farm or on another farm in the area that is planted to the same crop following the same farming practices, management practices, similar planting dates, etc., and that has not been damaged by uninsured cause(s) of loss.

Complete Crop Rotation: A rotation of a row crop(s) and a rotational crop(s) (such as, alfalfa, hay crop, forage crop, etc.) in which a complete cycle of the rotation crops has been completed (such as, a rotation of row crop(s)-rotational crop(s)-row crop(s), or rotational crop(s)-row crop(s)-rotational crop(s)).

Conical Pile: A quantity of crop whose base is a circle and whose sides taper evenly up to a point.

Consent: Approval in writing by the AIP allowing the insured to take a specific action.

Contemporaneous: Occurring or originating during the same time.

Continuous Coverage: Insurance coverage not canceled or terminated for a CY. Transfer of coverage to a different AIP is still continuous coverage.

Continuous Production Reports: Each APH crop year within an APH database must be consecutive starting from the most recent APH crop year for any production report submitted by the insured and determined to be acceptable by the AIP, or any other person authorized by FCIC. Continuity is not considered to be interrupted for any CY the crop was not planted, was prevented from being planted, was not insurable in accordance with the CP, or was not produced in compliance with any other applicable USDA program. If production report(s) are not provided for such consecutive history, continuity will be considered to have been broken unless the insured can provide documentation that the conditions listed in this definition existed for any CY.

Continuous Rating: A rate presentation method that allows a rate to be calculated for each unit of measure of a crop or for any producer's APH yield.

Contract: Refer to Policy.

Contract Change Date (CCD): The calendar date by which changes to the policy, if any, will be made available in accordance with the BP and CP.

Controlled Substance: Has the same meaning provided in 7 CFR §3021.610.

Conventional Farming Practice: A system or process that is necessary to produce an agricultural commodity, excluding organic farming practices.

Conveyance: Anything in which agricultural commodities are transported. This may include combine hoppers, commodity bins, grain carts, grain wagons, farm truck, semi-trailer, railcar, or barge. The term "transported" does not include all forms of grain movement (e.g., the following are not conveyances: grain augers, grain dryers, elevator legs, or picking lines).

Conviction: A judgment or any other determination of guilt of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or plea, including a plea of no contest.

Cooperative Extension System: A nationwide network consisting of a State office located at each State's land-grant university, and local or regional offices. These offices are staffed by one or more agricultural experts, who work in cooperation with the National Institute of Food and Agriculture, and who provide information to agricultural producers and others.

County - ARPI: Any county, parish, political subdivision of a State, or other area specified on the AD shown on the insured's accepted Application, including acreage in a field that extends into an adjoining county if the county boundary is not readily discernible.

County - CCIP: Any county, parish, or other political subdivision of a State shown on the insured's accepted Application, including acreage in a field that extends into the adjoining county if the county boundary is not readily discernible.

County Crop Program: The offering of insurance coverage by FCIC on a crop in a specified county or parish as approved by FCIC.

Cover Crop: A crop generally recognized by agricultural experts as agronomically sound for the area for erosion control or other purposes related to conservation or soil improvement, unless otherwise specified in the SP. A cover crop may be considered a second crop. Refer to the definition of Second Crop.

Coverage (Guarantee): The insurance provided by this policy, against insured loss of production or value, by unit as shown on the insured's summary of coverage.

Coverage Begins, Date: The calendar date insurance begins on the insured crop, as contained in the CP (SP, if applicable), or the date planting begins on the unit.

Crop Endorsement: An adjunct to the BP that contains crop-specific provisions.

Crop Loss Adjustment Standards: The FCIC-issued crop-specific procedures that must be used to perform loss adjustment. They contain appraisal methods, forms completions instructions, and any other loss adjustment instructions specific to the crop. The AIP must comply with these standards when performing loss adjustment.

Crop of Economic Significance: A crop or a type of a crop (if the applicable policy allows the option to separately insure individual crop types) that has either contributed in the previous CY, or is expected to contribute in the current CY, 10 percent or more of the total expected value of the producer's share of all crops grown in the county. However, a crop will not be considered a crop of economic significance if the expected liability under the CAT Endorsement is equal to or less than the administrative fee required for the crop.

Crop Provisions (CP): The part of the policy that contains the specific provisions of insurance for each insured crop (appraisal of production, PTC, indemnity calculations, definitions, etc.).

Crop Year:

APH Crop Year: The year the crop was planted or grown, and insurable in accordance with the applicable CP, whether insured or not, and identified by the year it is normally intended to be harvested.

Example 1: When an insured plants insurable acreage in a county to wheat for harvest as grain, that year is a CY for APH database purposes. If the land is summer fallowed the next calendar year, that year is not a CY for APH database purposes.

Example 2: A year that oats were planted as a cover crop, pastured, or put up for hay is not considered an APH crop year unless such acreage was reported and insured as "intended for harvest as grain" under a policy.

Crop Year (CY): The period within which the insured crop is normally grown and designated by the calendar year in which the crop is normally harvested.

Policy Crop Year: The period within which the insured crop is normally grown, regardless of whether or not it is actually grown and designated by the calendar year in which the insured crop is normally harvested, unless otherwise specified in the CP.

Cropland Acreage: Acreage devoted to the production of annual and perennial crops including fallow acreage. Do not just use the acreage planted to insured crops or FSA program payment acreage.

Cropland Acreage Limitations: For added land and new crop/P/T/TMA determinations, the criteria that establishes the total cropland acreage that may be added to the insured's farming operation, to an existing BU or OU or added as a separate OU and the use existing unit's approved yield or SA T-yield.

Damage: Injury, deterioration, or loss of production of the insured crop due to insured or uninsured causes. ***

Date of Delinquency: The termination date specified in the applicable policy for administrative fees and premiums owed for insurance issued under the authority of the Act, and any interest and penalties on those amounts, if applicable; and the due date specified in the notice to the person of the amount due for any other amounts due the insurance provider or FCIC for insurance issued under the authority of the Act. Other amounts due include, but are not limited to, indemnities, prevented planting payments, or replant payments found not to have been earned or that were overpaid, premium billed with a due date after the termination date for the crop year in which premium is earned, and any interest, administrative fees, and penalties on such amounts, if applicable. Payments postmarked or received before the date of delinquency by the insurance provider or its agent for debts owed to the insurance provider, or by FCIC for debts owed to FCIC, are not delinquent.

Days: Calendar days, unless otherwise noted.

De Minimis Acres: Native sod acres that are cumulatively five acres or less in a county.

Debt: An amount of money that has been determined to be owed by any person to FCIC or an insurance provider, excluding money owed to an insurance provider's agent, under any program administered under the Act. The debt may have arisen from nonpayment of interest, penalties, premium, or administrative fee; overpayment of indemnity, prevented planting or replant payment; cost of collection; or other causes. A debt does not include debts discharged in bankruptcy.

Debtor: A person who owes a debt and that debt is delinquent.

Deductible: The amount determined by subtracting the coverage level percentage the insured chooses from 100 percent. For example, if the insured elected a 65 percent coverage level, the insured's deductible would be 35 percent (100% - 65% = 35%).

Delayed Claim: A claim for indemnity form signed by the insured later than the time required in the applicable policy.

Delayed Notice: A notice of damage or loss filed by the insured after the time required in the policy.

Delinquent Debt: A debt that is not satisfied on or before the date of delinquency. To avoid delinquency or ineligibility due to a delinquent debt, a debtor may enter into a written payment agreement acceptable to the AIP or FCIC to pay any such debt as long as all payments are made by the due dates specified in such written payment agreement. A delinquent debt does not include debts discharged in bankruptcy or any debt to an AIP's agent.

Denial of Certification (Organic): A determination made by AMS NOP that a grower who has applied for certification is not able to comply with the OFPA and 7 CFR Part 205 certification standards.

Destroyed Without Consent: A determination made by an adjuster that an insured has altered the condition of a crop (without permission) so that an accurate appraisal cannot be made.

Determined Yield: An annual yield designated by FCIC, or calculated and assigned by the AIP, in specific situations authorized by FCIC-approved procedures.

Diameter: A straight line measurement passing through the center of a circle. Normally an inside measurement when measuring the volume of a round storage structure.

Digitizer: A measuring tool that computes areas and lengths by tracing an area and directly entering the results into a computer. Some digitizers have small internal computers. It is used to obtain acreage measurements.

Direct Marketing: The sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, buyer, or broker. Production records are controlled exclusively by the policyholder. Examples of direct marketing include selling through an on-farm or roadside stand, a farmer's market, or permitting the general public to enter the acreage for the purpose of harvesting or picking all or a portion of the crop. Only the portion of the crop sold directly to consumers will be considered direct marketed.

Disinterested Third Party: A person that does not have any familial relationship (parents, brothers, sisters, children, spouse, grandchildren, aunts, uncles, nieces, nephews, first cousins, or grandparents, related by blood, adoption or marriage, are considered to have a familial relationship) with the insured or who will not benefit financially from the sale of the insured crop. Persons who are authorized to conduct quality analysis in accordance with the CP are considered disinterested third parties unless there is a familial relationship.

Disinterested Third Party (Loss): A person that does not have any familial relationship (parents, brothers, sisters, children, spouse, grandchildren, aunts, uncles, nieces, nephews, first cousins, or grandparents, related by blood, adoption or marriage, are considered to have a familial relationship) with the insured or who will not benefit financially from the sale of the insured crop. Persons who are authorized to conduct quality analysis in accordance with the CP are considered disinterested third parties unless there is a familial relationship. When making quality determinations, persons employed by USWA licensed warehouses and warehouses holding a storage agreement with CCC shall be considered disinterested third parties.

Note: For crops having quality provisions in the SP, the SP state:

In addition to the definition of "Disinterested third party," a person or business who does not routinely purchase production for resale or for feed will not be considered a disinterested third party if the RIVs applied by the buyer are not reflective of the RIVs in the local market.

Document: A form developed according to RMA standards for policies, endorsements, procedures, and other materials used for the purpose of administering the crop insurance program in accordance with the SRA.

Dollar Amount of Insurance Per Acre: The guarantee calculated by multiplying the expected county yield by the projected price and by the PF. The dollar amount of insurance per acre is shown on the Summary of Protection. Following release of the harvest price, the dollar amount of insurance may increase if ARP was purchased and the harvest price is greater than the projected price.

Double Crop: Producing two or more crops for harvest on the same acreage in the same CY.

Drift: The physical movement of prohibited substances from the intended target site onto an organic operation or portion thereof.

Earliest Planting Date: The initial planting date contained in the SP, which is the earliest date the insured may plant an insured agricultural commodity and qualify for a replanting payment if such payments are authorized by the CP. ***

Electronic Signature: As defined by the Electronic Signatures in Global and National Commerce Act, P.L. 106–229, includes an electronic sound, symbol, or process, attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record.

Eligible Crop: A crop must be grown on insurable acreage in a county for which a method of establishing insurance yields/guarantees and premium rates has been established for the crop in order for insurance to attach.

Eligible Crop Insurance Contract: An insurance contract with an eligible producer: (1) covering an agricultural commodity authorized to be insured under the ACT and approved for sales by FCIC, (2) with terms and conditions in effect as of the applicable CCD, (3) that is sold and serviced in accordance with the ACT, FCIC regulations, FCIC procedures, and the SRA, and (4) that has a SCD within the RY.

Eligible Producer: A person who has an insurable interest in an agricultural commodity, who has not been determined ineligible to participate in the Federal crop insurance program, and who possesses a U.S.-issued SSN or EIN.

Employee: A person who works for FCIC or AIP in return for wages or salary.

Employer Identification Number (EIN): As defined and required under Sec 6109 of the Internal Revenue Code of 1986.

End of Insurance Period, date of (EOIP): The date upon which the insured's crop insurance coverage ceases for the CY.

Enterprise Unit (EU): All insurable acreage in the county in which the insured has a share on the date coverage begins for the CY, provided the insured meets the requirements in Section 34 of the CCIP BP: (1) the same insured crop; (2) irrigated or non-irrigated acreage of the same insured crop; or (3) acreage grown under an organic farming practice or acreage not grown under an organic farming practice of the same insured crop.

Entity: Refer to Person.

Established Price: The price per unit of production issued by RMA by each crop's filing date.

Excluded Parties List System (EPLS): A list maintained by the General Services Administration, or successor, that proves a source of exclusion records that identify those parties excluded from receiving Federal contracts, certain subcontracts and from certain types of Federal financial and non-financial assistance and benefits.

Existing Units and/or APH Databases: Units and/or APH databases for the crop that were in the insured person's farming operation the previous CY that remain in the farming operation for the current CY. If units or APH databases that were in the farming operation the previous CY are divided or combined for the current CY, existing units or APH databases are those as structured for the current CY. Units or APH databases that are no longer a part of the policyholder's farming operation for the current CY (sold, lost the lease, no longer renting, etc.) are not considered to be existing units or APH databases.

Expected Area Revenue: The expected area yield multiplied by projected price.

Expected Area Yield: The yield contained in the AD for the insured crop, type, and practice in the production area. The expected area yield is used to determine if an indemnity will be due.

Expected County Revenue: The expected county yield multiplied by the projected price.

Expected County Yield: The yield, established in accordance with ARPI Sec 15, contained in the AD on which the insured's coverage for the CY is based.

Expected Crop Value: The value of the crop based on the insured's approved yields and the projected price or price election, as applicable. For RP underlying policies only, expected crop value may increase if the harvest price is higher than the projected price.

Familial Relationship: The same as relative. Refer to Relative.

Farm Management Record: A contemporaneous record provided by the insured that documents their actual production recorded at the time of harvest, storing of the crop, or use of the crop for feed and can be used to substantiate their actual production reported on the production report.

Farm Service Agency (FSA): The Farm Service Agency, an agency of the USDA, or a successor agency.

Farming Organization: One or more individuals who participate in establishing a yield history; corporations, partnerships, and family operations are included under this title.

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FCIC-Issued Policy Provisions: Includes BP, CP, SP, endorsements, options and/or amendments published in the Federal regulations or otherwise approved by FCIC (e.g., pilot programs approved by the FCIC Board of Directors) that the AIP provides to the insured.

FCIC-Reinsured Policy: An insurance policy offered under the authority of the Act and reinsured by the FCIC.

Federal Arbitration Act (FAA): The Federal Arbitration Act found at 9 U.S.C. § 1 et seq.

Federal Crop Insurance Act (ACT): Subtitle A of the Federal Crop Insurance Act (7 U.S.C. 1501–1524).

Federal Crop Insurance Corporation (FCIC): A wholly owned Government Corporation administered by RMA within USDA.

Field: All acreage of tillable land within a natural or artificial boundary (e.g., roads, waterways, fences, etc.). Different planting patterns or planting different crops do not create separate fields.

Final Acreage Reporting Date: For each insured crop in the county on or before the ARD contained in the SP for the insured crop except as follows: (1) if multiple crops are insured (by the same AIP) that have FPDs on or after August 15 but before December 31, the AR must be submitted for all such crops on or before the latest applicable ARD for such crops; (2) if multiple crops are insured (by the same AIP) that have FPDs on or after December 31 but before August 15, the AR must be submitted for all such crops on or before the latest applicable ARD for such crops; (3) If the SP designate separate planting periods for a crop, the AR for each planting period must be submitted on or before the ARD contained in the SP for the planting period; and (4) If planting of the insured crop continues after the FPD or is prevented from planting during the LPP, the ARD will be the later of: (a) the ARD contained in the SP or applicable date described in (1) or (2) above if there are multiple insured crops insured by the same AIP; or (b) Five days after the end of the LPP for the insured crop, if applicable. Refer to Late-Filed Acreage Report for AR filed after this date.

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Final Area Revenue: The revenue determined by multiplying the final area yield by the harvest price, released by FCIC at the time specified in the AD. The final area revenue is used to determine if an indemnity will be due for revenue protection underlying policies.

Final Area Yield: The yield for the insured crop, type and practice in the production area, as determined and released by FCIC at a time specified in the AD. The final area yield is used to determine if an indemnity will be due.

Final Claim: A claim signed by the insured after a final inspection has been completed and after all the necessary information to make an applicable indemnity payment, replant payment, or a PP payment has been recorded on the claim form.

Final County Revenue: The revenue determined by multiplying the final county yield by the harvest price with the result used to determine whether an indemnity will be due for ARP and ARPHPE, and released by FCIC at a time specified in the CP.

Final County Yield: The yield, established in accordance with Sec 15 of the ARPI BP, for each insured crop, type, and practice, used to determine whether an indemnity will be due for AYP, and released by FCIC at a time specified in the CP.

Final Inspection: An inspection that requires all of the necessary verifications and determinations of production (if applicable for the type of inspection), acreage, practice, etc., to have been made on a unit prior to processing an indemnity payment, replant payment, or PP payment.

Final Planting Date (FPD): The date contained in the SP for the insured crop by which the crop must initially be planted in order to be insured for the full production guarantee or amount of insurance per acre.

Note: Crops initially planted after this date are not insurable unless the CP provide for coverage that extends beyond the planting date. Refer to Timely Planted and Late Planting Period.

Final Policy Protection: For ARP only, the amount calculated in accordance with Sec 12(e) of the ARPI BP.

First Insured Crop: With respect to a single CY and any specific crop acreage, the first instance that an agricultural commodity is planted for harvest or prevented from being planted and is insured under the authority of the ACT. For example, if winter wheat that is not insured is planted on acreage that is later planted to soybeans that are insured, the first insured crop would be soybeans. If the winter wheat was insured, it would be the first insured crop.

Flood Irrigation: A method of irrigation other than sprinkler (traveling gun, center pivot, or other recognized forms of sprinkler systems) or furrow irrigation in which the cropland (wider than a furrow) between raised borders, embankments, or dikes of soil is inundated with controlled amounts of water.

FSA Common Land Unit (CLU): As defined by FSA, is the smallest unit of land that has a permanent, contiguous boundary, common land cover and land management, common owner, and common producer association. This information is used by RMA as an electronic representation of the FSA Field.

FSA Farm Number (FN): The number assigned to the farm by the local FSA office.

FSA Field: As defined by FSA, is part of a farm which is separated from the balance of the farm by permanent boundaries such as fences, permanent waterways, woodlands, and croplines in cases where farming practices make it probable that such cropline is not subject to change, or other similar features.

FSA Tract: As defined by FSA, is a unit of contiguous land under one ownership, which is operated as a farm, or part of a farm.

Furrow Irrigation: A type of irrigation means carried out by use of gravity water flow at the soil surface that is contained within furrows between planted rows. Rows must be far enough apart to allow water furrows. The land must be formed to allow uniform distribution of water to the entire irrigated acreage without undue impoundment (ponding).

Furrow Irrigation (for Rice): An irrigated practice, also known as row rice, in which furrows are created to convey water to all rice plants in the field.

Generally Recognized: When agricultural experts or organic agricultural experts, as applicable, are aware of the production method or practice and there is no genuine dispute regarding whether the production method or practice allows the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance.

Gleaner: A person who harvests for free distribution to the needy, or for donation to a nonprofit organization for ultimate distribution to the needy, an agricultural crop that has been donated by the crop owner(s).

Gleaning: The collection of crops from farmers' fields that have already been harvested or fields where it is not economically profitable to harvest.

Good Farming Practices (GFP): The production methods utilized to produce the insured crop and allow it to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance, including any adjustments for late planted acreage, which are those generally recognized by agricultural experts or organic agricultural experts, depending on the practice, for the area. The AIP may, or the insured may request the AIP to, contact FCIC to determine if production methods will be considered "good farming practices."

Good Irrigation Practice: Application of adequate water in an acceptable manner, at the proper times to allow production of a normal crop which is often identified as the approved yield for crops under APH.

Gross Production: Net delivered production of the commodity (by removing truck weight and other weights which are considered tare from the gross scale weight) prior to deductions made for dockage, TW, moisture content, poor quality, FM, etc. For APH purposes, harvested or appraised gross production, documented in the unit of measure indicated by the crop's policy, is acceptable. However, when acceptable records that indicate dockage, low TW, high moisture content, poor quality, FM, etc., are available at the time production reports are filed, gross production MUST be adjusted for APH purposes to reflect the same quality of production as provided in the crop's policy for loss payment purposes.

Guarantee - Unit: The guarantee for the unit expressed in the unit of measure for the crop (e.g., bushels, pounds, hundredweight, dollars, etc.) calculated by multiplying the total insured acres on the unit by the GPA times the insured's share.

Harvest Price: A price determined in accordance with the CEPP and used to value PTC for RP.

Harvest Price - ARPI: A price determined in accordance with the CEPP and used to determine the final county revenue.

Harvest Price Exclusion: RP with the use of the harvest price excluded when determining the insured's RP guarantee. This election is continuous unless canceled by the cancellation date.

Headed: When the plant's head has emerged from the leaf sheath and is visible to the naked eye.

Heading: At least 50 percent of the crop has headed.

High-Risk Policy (for HRLEO only): The high-risk land covered on a separate additional coverage policy, if available in the AD.

Household: A domestic establishment including the members of a family (parents, brothers, sisters, children, spouse, grandchildren, aunts, uncles, nieces, nephews, first cousins, or grandparents, related by blood, adoption or marriage, are considered to be family members) and others who live under the same roof.

Immature Acreage: Perennial crop acreage which has not yet met the age requirements specified in the policy.

Immediate Family: An individual's father, mother, stepfather, stepmother, brother, sister, stepbrother, stepsister, son, daughter, stepson, stepdaughter, grandparent, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, the spouse of the foregoing, and the individual's spouse.

Indemnity: The dollar amount paid in the event of an insured loss.

Indemnity Summary: A computer-generated document showing the insured's dollar amount of indemnity payment by crop and unit number.

Ineligible Person: A person who is denied participation in any program administered under the authority of the ACT.

Ineligible Tracking System (ITS): An electronic system to identify persons who are ineligible to participate in any program pursuant to 7 CFR Part 400, subpart U.

Initially Planted: The first occurrence of planting the insured crop on insurable acreage for the CY.

Insurable Acres: Acreage that meets all policy insurability requirements, whether insured or not. ***

Insurable Interest: The insured's percentage of the insured crop that is at financial risk.

Insurable Loss: Damage for which coverage is provided under the terms of the policy, and for which the insured accepts an indemnity payment.

Insurance Contract: Refer to Policy.

Insurance Period: The period during which liability for loss due to insured causes is assumed according to the applicable endorsement or policy.

Insurance Policy: Defines the rights and responsibilities of the insured and the AIP. Refer to Policy.

Insurance Premium: The dollar amount paid for insurance. Does not include administrative fees.

Insured: The named person as shown on the Application accepted by the AIP. This term does not extend to any other person having a share or interest in the crop (e.g., a partnership, landlord, or any other person) unless specifically indicated on the accepted Application.

Insured Acres: Insurable acreage that is insured in accordance with the policy. This would include, but is not limited to: (1) Insurable acreage reported by the insured on or before the ARD; or (2) Insurable acreage of the insured crop reported by the insured after the ARD and the AIP accepts such acreage as allowed by the CP and LAM/Crop Loss Standards procedure.

Insured Cause of Loss: An unavoidable COL defined in the policy or endorsement for which an indemnity can be paid.

Insured Crop: The crop in the county for which coverage is available under the insured's policy as shown on the Application accepted by the AIP.

Insured's Production Reporting Date: The date provided in the AD, by which the insured is required to submit a production report for the current CY, unless otherwise specified in the policy or FCIC-approved procedures. ***

Intended Acreage Report: A report of the acreage the insured intends to plant, by crop, for the current CY and used solely for the purpose of establishing eligible PP acreage.

Intended Use: The expected end use or disposition of the commodity at the time the commodity is reported.

Intermittent Flood Irrigation: An irrigated practice, also known as alternate wetting and drying (AWD), that allows flood irrigation water within a rice field to subside naturally (dry down) to a limited extent, that maintains field saturation (i.e., muddy), with a water level of no more than two (2) inches below the soil surface between flood conditions (based on the water level in the upper one-third of the field for precision-grade fields utilizing multiple-inlet or side-inlet water distribution systems), unless otherwise recommended by a local agricultural expert, during rice growth and development before the field is reflooded.

Interplanted: Acreage on which two or more crops are planted in a manner that does not permit separate agronomic maintenance or harvest of the insured crop.

Interval: A period of time designated in the AD.

Irrigate Frequently (for SIR only): Irrigation that shall occur often enough to provide at least the minimum amount of water needed for normal growth; to include an accounting for rainfall and irrigation events so that soil water conditions in the effective root zone does not cause crop water stress on the rice being grown.

Irrigated Practice - ARPI: A method of producing a crop by which water, from an adequate water source, is artificially applied in sufficient amounts by appropriate and adequate irrigation equipment and facilities and at the proper times necessary to produce at least the (1) yield expected for the area; (2) yield used to establish the production guarantee or amount of insurance/coverage on the irrigated acreage planted to the commodity; or (3) producer's established approved yield, as applicable. Acreage adjacent to water, such as but not limited to a pond, lake, river, stream, creek or brook, shall not be considered irrigated based solely on the proximity to the water. The insurable irrigation practices are specified in the AD.

Irrigated Practice - CCIP: A method of producing a crop by which water is artificially applied during the growing season by appropriate systems and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee or amount of insurance on the irrigated acreage planted to the insured crop.

Irrigation - Adequacy of Facilities: Irrigation facilities are considered adequate if it is determined that, at the time insurance attaches to planted or perennial acreage, they will be available and usable at the times needed and have the capacity to timely deliver water in sufficient quantities to carry out a good irrigation practice for the acreage insured under the irrigated practice.

Irrigation - Reasonable Expectation: The insured had no reason to know at the time coverage began, that the amount irrigation water may be limited or reduced. If the insured knew or had reason to know that the amount of irrigation water may be reduced before coverage begins, no reasonable expectation exists.

Irrigation Water Supply: The water source and means for supplying irrigation water, without regard to the equipment or facilities. This includes the water source and dams, canals, ditches, pipelines, etc., which contain the water for movement from the source to the acreage and (a) are not under the control of the insured, or (b) routinely deliver water to acreage in addition to that which is owned or operated by the insured. It does not include any irrigation equipment or facilities.

Lag Year: A delay of reporting of a CY(s) in the APH base period, authorized by FCIC-approved procedures when production records are generally not available for the crop by the PRD.

Landlord: The person who holds the ownership interest to the land that is leased or rented to another person, called the tenant, on which the crop is grown. The landlord receives a cash payment or a share of the crop as a lease or as rental payment from the tenant.

Late Planted: Acreage initially planted to the insured crop after the FPD.

Late Planting Period (LPP): The period that begins the day after the FPD for the insured crop and ends 25 days after the FPD, unless otherwise specified in the CP or SP. ***

Late-Filed Acreage Report: Any original AR obtained from the policyholder after the final ARD established by the AD.

Late-Filed Application: Any original Application for insurance signed by the producer after the SCD established by the AD.

Late-Filed Claim: Refer to Delayed Notice.

Leaf Year: Age calculation required to determine the applicable T-Yield, insurability requirements in accordance with the applicable CP, and other procedures in the CIH. See CIH for crop-specific leaf year calculations.

Legal Description: A specified section, township, and range (or parts thereof) as identified by a land survey.

Level Election/Coverage Level: The percentage of coverage selected by the insured from those offered by FCIC that is used to determine the production guarantee, premium, and dollar amount of insurance.

Liability: The total amount of insurance, value of the insured's production guarantee, or RP guarantee for the unit determined in accordance with the Settlement of Claim provisions of the applicable CP.

Liability Adjustment Factor (LAF): When the dollar claim (determined) liability (based on the actual information determined by the adjuster (excluding share) and recorded on the claim form) is greater than the dollar AR liability (based on the acreage information reported by the insured (excluding share)), divide the dollar AR liability by the dollar claim liability on the under-reported line (e.g., AR liability of $1,557 divided by claim (determined) liability of $2,000 = .778500 LAF (1,557 ÷ 2,000 = .778500 rounded to six places) will apply to that line ONLY on the claim form).

Limited Resource Farmer: Has the same meaning as the term defined by USDA at lrftool.sc.egov.usda.gov or successor website.

Loss Adjuster: An individual who is licensed by a State, or has passed a proficiency testing program approved by FCIC, as applicable, and who verifies information affecting the coverage and makes factual determinations regarding the existence or amount of loss under an eligible crop insurance policy.

Loss Limit Factor: Unless otherwise specified in the SP a factor of .18 is used to calculate the payment factor. This factor represents the percentage of the expected county yield or expected county revenue at which no additional indemnity amount is payable. For example, if the expected county yield is 100 bushels and the final county yield is 18 bushels, then no additional indemnity is due even if the yield falls below 18 bushels. The total indemnity will never be more than 100 percent of the final policy protection.

Loss Ratio: The ratio of paid indemnities to net premium expressed as a percentage (e.g., 1.10, etc.).

Management of a Crop: A person or persons who exercise control of the day-to-day operation (controls what and when to plant, till, cultivate, irrigate, fertilize, spray, and harvest) of producing and marketing the crop.

Master Yield (MY): An optional approved yield calculation the insured may elect for certain crops and counties, as designated by FCIC-approved procedures.

Measuring Wheel: An instrument composed of a handle, wheel, and counter that is used to measure ground area. As the wheel is moved along the ground, the counter measures the number of revolutions of the wheel and then is converted to acreage measurements.

Minor: Any person under 18 years of age. Court proceedings, conferring majority on an individual under 18 years of age will result in such person no longer being considered a minor.

Multi-County Enterprise Unit (MCEU): All insurable acreage of the same insured crop or all insurable IRR or NIRR acreage of the same insured crop, in the primary county and secondary county in which the insured has a share on the date coverage begins for the CY.

National Agricultural Statistics Service (NASS): An agency, National Agricultural Statistics Service, or its successor, within the USDA, that publishes the official United States Government yield estimates.

National List (Organic): A list of allowed and prohibited substances as provided in OFPA and published by AMS for the NOP.

National Organic Program (NOP): The program authorized by the OFPA for implementing regulations.

Native Sod: Acreage that has no record of being tilled (determined in accordance with information collected and maintained by an agency of the USDA or other verifiable records provided by the insured and are acceptable to the AIP) for the production of an annual crop on or before February 7, 2014, and on which the plant cover is composed principally of native grasses, grass-like plants, forbs, or shrubs suitable for grazing and browsing.

Negligence: The failure to use such care as a reasonably prudent and careful person would use under similar circumstances.

New APH Databases: APH databases, as required by procedure, which were not established prior to the current CY.

New Breaking Acreage: Acreage which has not been planted and harvested, or insured within the four previous CYs, in accordance with the insurable acreage section of the applicable BP.

New Crop Program: The offering of insurance or reinsurance coverage by FCIC on a crop that has not previously been entitled to insurance or reinsurance coverage.

New Insured: A person who was not insured the previous CY without respect to the AIP or plan of insurance.

New Producer: A person, including anyone with an SBI in the person, who has not produced the insured crop in the county, whether or not such crop was insured, for more than two APH crop years prior to the current CY.

Next Level Supervision: A person authorized by the AIP to supervise employees, agents, contractors, or other functions as assigned by the AIP.

Non-Contiguous: Acreage of an insured crop that is separated from other acreage of the same insured crop by land that is neither owned by the insured nor rented by the insured for cash or a crop share. However, acreage separated by only a public or private right-of-way, waterway, or an irrigation canal will be considered as contiguous.

Noninsured Crop Disaster Assistance Program (NAP): Published in 7 CFR Part 1437, administered by FSA.

Non-Organic Farming Practice: A farming practice that does not meet the standards of an organic farming practice.

Non-Reinsured Supplemental (NRS) Policy: A policy, endorsement, or other risk management tool not reinsured by FCIC under the ACT, that offers additional coverage, other than for loss related to hail.

Non-Synthetic (Natural): A substance originated from mineral, plant or animal matter that does not undergo a synthetic process.

Notice of Acceptance: Refer to Policy Confirmation.

Notice of Loss (NOL): The written notice required to be provided by the insured to the AIP not later than 72 hours after certain occurrences or 15 days after the EOIP, whichever is earlier, as identified in the policy provisions. Refer to the BP or the PPSH for the insured's required Notices of Prevented Planting.

Nurse Crop: A crop planted into the same acreage as another crop, that is intended to be harvested separately, and which is planted to improve growing conditions for the crop with which it is grown. Also referred to as a companion crop.

Official File: The original insurance documents for an insured maintained by the AIP in their headquarters or as otherwise specified in the AIPs Plan of Operations as required by Appendix II of the SRA.

Offset: The act of deducting one amount from another amount.

Organic Agricultural Experts: Persons who are employed by the following organizations: ATTRA, SARE or the CES, the agricultural departments of universities, or other persons approved by FCIC, whose research or occupation is related to the specific organic crop or practice for which such expertise is sought.

Organic Crop: An agricultural commodity that is organically produced consistent with Sec 2103 of the OFPA.

Organic Farming Operation: An operation that uses organic farming practices to produce organic agricultural commodities.

Organic Farming Practice: A system of plant production practices used on organic acreage and transitional acreage to produce an organic crop that is approved by a certifying agent in accordance with 7 CFR Part 205.

Organic Foods Production Act (OFPA): The statute enacted in 1990 as amended (7 U.S.C. 6501 et seq.) mandating the development of national standards for the production and handling of foods labeled as organic.

Organic Standards: Standards in accordance with the OFPA and 7 CFR Part 205.

Organic System Plan: A written plan, in accordance with the NOP published in 7 CFR Part 205, that describes the organic farming practices that an insured and a certifying agent agree upon annually or at such other times as prescribed by the certifying agent.

Original Acreage Report or Raisin Tonnage Report: The initial report filed for a CY, by crop, used to determine the liability, amount of coverage, and premium. Refer to Acreage Report (AR).

Other Use: Using insured acreage in a manner that is different from the original intended use as provided in the CP.

Owner-Operator: A person who holds an ownership interest to the land on which the crop is grown.

Palmer Drought Severity Index: A meteorological index calculated by the National Weather Service to indicate prolonged and abnormal moisture deficiency or excess.

Payment Factor: A factor no greater than 1.0 used to determine the amount of indemnity to be paid in accordance with ARPI Sec 12(g).

Perennial Crop: A plant, bush, tree or vine crop that has a life span of more than one year.

Person: An individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a State or a political subdivision or agency of a State. "Person" does not include the United States Government or any government agency.

Personally Identifiable Information: Any information about an individual maintained by the AIP and its affiliates, including but not limited to, education, financial transactions, medical history, and criminal or employment history and information which can be used to distinguish or trace an individual's identity, such as name, SSN, date and place of birth, mother's maiden name, biometric records, etc., including any other personal information which is linked or linkable to an individual.

Planted Acreage - ARPI: Except as otherwise specified in the SP, land in which seed, plants, or trees have been placed, appropriate for the insured crop and planting method, at the correct depth, into a seedbed that has been properly prepared for the planting method and production practice in accordance with GFP for the area.

Planted Acreage - CCIP: Land in which seed, plants, or trees have been placed, appropriate for the insured crop and planting method, at the correct depth, into a seedbed that has been properly prepared for the planting method and production practice.

Polar Planimeter: An instrument moved along boundaries on aerial photography. The instrument readings are used to convert photograph measurements to acreages.

Policy: The agreement between the insured and the AIP to insure an agricultural commodity and consisting of the accepted Application, the BP, the CP, the SP, the CEPP, if applicable, other applicable endorsements or options, the AD for the insured agricultural commodity, the CAT Endorsement, if applicable, and the applicable regulations published in 7 CFR chapter IV. Insurance for each agricultural commodity in each county will constitute a separate policy. ***

Policy Confirmation: A form or document issued to the insured indicating that the Application, cancellation, etc., has been accepted.

Policy Issue Log (PIL): A Customer Relationship Management platform for AIP submission of policy or procedural questions.

Policy Issuing Company: An insurance company that issues eligible crop insurance contracts reinsured under the SRA on behalf of the AIP.

Policy Protection – ARPI: The liability amount calculated in accordance with Sec 6(f) of the ARPI BP, unless otherwise specified in the SP.

Policyholder: Refer to Insured.

Policyholder File or Folder: The file(s) maintained for each insured. The file(s) contains copies of documents, such as, Application, AR, appraisal worksheets, claims, etc. Also known as insured's policy file or folder.

Postmarked: Postal imprint on letters, flats, and parcels that shows the name of the Post Office that accepts custody of the mail, along with the two-letter State abbreviation and Zip Code of the Post Office, and the date of mailing, and the time abbreviation a.m. or p.m. The USPS postmark is generally applied, either by machine or hand, with cancellation or killer bars to indicate that the postage cannot be reused; or the date of tender to the private delivery service as recorded in the tracking and tracing record for the parcel, provided the private deliver service is available to the general public and has tracking and tracing procedures for its deliveries, such as DHL, Federal Express, or UPS. Postmarked does not include metered mail (including company or individually marked or stamped mail), self-postmarked envelopes or parcels, and hand delivered payments.

Practical to Replant: The AIP's determination, after loss or damage to the insured crop, that the insured is able to replant to the same crop in such areas and under such circumstances as it is customary to replant and that replanting the insured crop will allow the crop to attain maturity prior to the calendar date for the end of the insurance period. The AIP may consider circumstances as to whether: (1) it is physically possible to replant the acreage; (2) seed germination, emergence, and formation of a healthy plant is likely; (3) field, soil, and growing conditions allow for proper planting and growth of the replanted crop to reach maturity; or (4) other conditions exist, as provided by the CP or SP. Unless the AIP determines it is not practical to replant, based on the circumstances listed above, it will be considered practical to replant through: (1) the FPD if no LPP is applicable; (2) the end of the LPP if the LPP is less than 10 days; or (3) the 10th day after the FPD if the crop has a LPP of 10 days or more. The AIP will consider it practical to replant regardless of the availability of seed or plants, or the input costs necessary to produce the insured crop such as seed or plants, irrigation water, etc.

Practice: Production methodologies used to produce the insured crop consisting of unique combinations of irrigated practice, cropping practice, organic practice, and interval as shown on the AD as insurable.

Precision Farming: The utilization of systems' technologies and agronomic principles to manage variability within and between fields and/or over time that is associated with all aspects of agricultural production. It requires the use of technologies, such as GPS and geographic information systems (GIS) management tools for the purpose of improving crop management. Precision farming may include the combination of variable seeding and fertilizer rates, minimizing seed and chemical overlaps, and the use of GPS/GIS yielding mapping technology (i.e., a producer using variable seeding, cutting planting rate from 36,000 to 18,000 seeds/acreage for non-irrigated corners, indicating a discernible break in yield with the use of GPS/GIS mapping).

Pre-Harvest Appraisal: An AIP appraisal conducted in accordance with the LAM/LASH to determine potential production for acreage that has not been harvested on the unit, or policy, as applicable. These pre-harvest appraisals, may be conducted as elected by an AIP, for insureds with no disinterested third-party verifier for supporting records, or as authorized by the policy. These are used in conjunction with the insured's acceptable production records for APH or claims purposes, when applicable and as specified in those procedures.

Preliminary Inspection: A farm visit by an adjuster in which an appraisal is usually made on a part of an insured crop unit, and in some instances, written permission is given to make other use of or destroy the affected crop.

Preliminary Yield: The APH yield calculated by the agent prior to approval by the verifier. Preliminary yields are used to provide coverage estimates and premium quotations and are calculated using the same procedure as approved yields.

Premium Adjustment: A premium cost adjustment applicable to some policies, based on continuous favorable insurance experience or unfavorable insurance experience for the crop. Also referred to as experience adjustment factor.

Premium Billing Date: The earliest date upon which the insured will be billed for insurance coverage based on the AR. The premium billing date is contained in the SP.

Premium Discount: A reduction in the base premium rate for unit consolidation, good experience, as applicable, etc.

Premium Subsidy: The portion of the base premium paid by FCIC for the level elected as authorized by law.

Prevented Planting (PP): Failure to plant the insured crop by the FPD designated in the SP for the insured crop in the county, or within any applicable LPP, due to an insured COL that is general to the surrounding area and that prevents other producers from planting acreage with similar characteristics. Failure to plant because of uninsured causes such as lack of proper equipment or labor to plant the acreage, or use of a particular production method, is not considered PP.

Price Election: The amount contained in the AD that is the value per pound, bushel, ton, carton, or other applicable unit of measure for the purposes of determining premium and indemnity under the policy. A price election is not applicable for crops for which RP is available.

Prior APH Yield: For carryover insureds, the approved yield from the previous CY.

Prior Crop Year: Two or more CYs preceding the current CY.

Procedures: The applicable handbooks, manuals, bulletins, memorandums or other directives issued by RMA on behalf of FCIC, related to the eligible crop insurance policy and the SRA. The AIP must comply with these procedures.

Producer Premium: The portion of the premium for an eligible crop insurance policy that a policyholder must pay after the subsidy is deducted.

Production Area: For ARPI, the geographical area that the expected and final area yields are based on, designated generally as a county but may be smaller or larger geographical area as specified in the AD.

Production Guarantee Per Acre: The number of pounds, bushels, tons, cartons, or other applicable units of measure determined by multiplying the approved yield per acre by the coverage level percentage elected.

Production Not to Count: Harvested production of the same crop that is subtracted from the unit's production before the indemnity is computed.

Production Record: A written record that documents the insured's actual production reported on the production report. The record must be an acceptable verifiable record or an acceptable farm management record as authorized by FCIC procedures.

Production Report: A written report provided by the insured in accordance with Section 3 of the BP showing the insured's annual production that will be used by the AIP to determine the insured's approved yield for insurance purposes. The report contains yield information for the current and previous APH crop year(s), when applicable, including planted acreage and production. This report must be supported by acceptable production records.

Production Reporting Date (PRD) - ARPI: The date contained in the AD by which the insured is required to submit their production report.

Production Reporting Date (PRD) - CCIP: The date contained in the AD by which the insured is required to provide a production report at the beginning of a CY if the insured meets the requirements in the policy.

Production to Count (PTC): Harvested and/or appraised quantities of a crop produced (including appraised production from uninsured causes of loss) from a unit, which are subtracted from the unit's production guarantee in computing an indemnity.

Prohibited Substance: Any biological, chemical, or other agent that is prohibited from use or is not included in the organic standards for use on any certified organic, transitional or buffer zone acreage. Lists of such substances are contained at 7 CFR Part 205.

Projected Price: The price for each crop determined in accordance with the CEPP. The applicable projected price is used for each crop for which RP is available, regardless of whether the insured elects to obtain RP or YP for such crop.

Protected Information: Includes, but is not limited to, any personally identifiable information about a policyholder, agent, or loss adjuster; and information about the policyholder's farming operation or insurance policy. Such information is generally acquired from the policyholder, agent or loss adjuster, USDA, CIMS, or the insured's previous or current AIP or agent that is protected from disclosure by the Privacy Act, Sec 502(c) of the ACT, or any other applicable statute. This includes all hard copy or electronic information.

Protection Factor (PF): The percentage an insured chooses that is used to calculate the dollar amount of insurance per acre and policy protection.

Quality Adjustment Factor (QAF): A factor used to reduce PTC when the policy allows for reduction of PTC and the production grades at or lower than the specified quality stated in the policy.

Quality Assurance: An established review process maintained by the AIP to inspect and document the performance of its operations, employees, and adjusters. This review process is also known as quality control.

Raisin Tonnage Report: Refer to Acreage Report (AR).

Range: All of the six-section north/south rows of a township identified as being east or west of the principal meridian.

Rate Yield: The yield used to determine the premium rate. The rate yield is either the average yield or approved yield, depending on the method the approved yield is calculated (e.g., Application of floors, YA or YE to the APH database). See CIH Part 15 and 16 for requirements.

Rebate: To pay, allow, or give, or offer to pay, allow or give, directly or indirectly, either as an inducement to procure insurance or after insurance has been procured, any benefit (including money, goods or services for which payment is usually made except any service provided to fulfill an obligation of the AIP under the SRA), discount, abatement, credit, or reduction of the premium named in the insurance policy and any other valuable consideration or inducement not specified in the policy.

Recognized Good Farming Practices: Refer to Good Farming Practice.

Reduction in Value (RIV): The dollar and cents RIV (discount) that the buyer applies for each quality (RIV) defect of the crop allowed by the policy provisions. The RIV applies only when there is at least one type or level of defect for which there is not a pre-established DF listed in the quality section of the SP.

Reinstatement Late Payment of Debt: If a policy meets the criteria set forth in the ITS handbook, the policy will retain the same plan of insurance, coverage levels, endorsements and options the person had prior to termination, provided the person continues to meet all eligibility requirements, comply with the terms of the policy, and there is no evidence of misrepresentation or fraud. No new Application is required and no requests to change coverage level, plans of insurance or add or remove options or endorsements will be accepted unless such changes were made and submitted on an Application form on or prior to the SCD for the crop.

Reinsurance Year (RY): As defined in the SRA, beginning July 1 and ending on June 30 of the following year and, for reference purposes, identified by reference to the year containing June.

Reinsured Company: Private insurance companies selling and adjusting MPCI reinsured by FCIC. Also known as AIP.

Relative: An individual who: (1) is immediate family; (2) resides in the household of; or (3) engages in business with respect to, a farming operation with the person in question, regardless of whether or not the individual is immediate family.

Releasing Agent: Refer to Ceding Agent.

Replant Claim: An insurance document submitted by the insured after an inspection that records the number of acres replanted, not replanted, and the cost of replanting any damaged acres from which a replant payment will be computed.

Replant Payment: The payment received when acreage qualifies for a replanting payment in accordance with the BP and applicable CP.

Replanted Crop – ARPI: The same commodity replanted on the same acreage as the first insured crop for harvest in the same CY. ARPI does not have a replant provision, therefore, it is only used for first and second crop determinations.

Replanted Crop - CCIP: (1) The same agricultural commodity replanted on the same acreage as the insured crop for harvest in the same CY if: (i) The replanting is specifically made optional by the policy and the insured elect to replant the crop and insure it under the policy covering the first insured crop; or (ii) Replanting is required by the policy. (2) Unless otherwise specified in the SP, the crop will be considered an insured replanted crop and no replanting payment will be paid if the AIP has determined it is not practical to replant the insured crop and the insured choose to plant the acreage to the same insured crop within or prior to the LPP or after the FPD if no LPP is applicable. If it is determined it is not practical to replant and the insured plants the acreage to the same insured crop, any indemnity will be based on the greater of: (i) the appraised production on the initially planted crop; (ii) the subsequent appraisal of the replanted crop if the replanted crop is not harvested; or (iii) The harvested production from the replanted crop.

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Replanting: Performing the cultural practices necessary to prepare the land to replace the seed or plants of the damaged or destroyed insured crop and then replacing the seed or plants of the same crop in the same insured acreage. The same crop does not necessarily mean the same type or variety of the crop unless different types or varieties constitute separate crops or it is otherwise specified in the policy.

Reported Damage or Loss: A responsibility of the insured to promptly notify the AIP of any probable crop damage or loss.

Representative: Any person authorized by the AIP to work in the field or in an office to carry out in whole or in part the Federal crop insurance marketing, or contract servicing for new applicants or present policyholders. Refer to Agent.

Representative Sample: Portions of the insured crop that must remain in the field for examination and review by the AIP's loss adjuster when making a crop appraisal, as specified in the CP. In certain instances, the AIP may allow the insured to harvest the crop and require only that samples of the crop residue be left in the field.

Resource Land Unit (RLU): Generic geospatial data standard, established between AIPs and RMA, used to meet geospatial reporting requirements per Appendix III of the SRA.

Revenue Protection (RP): A plan of insurance that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both. If the harvest price exclusion is elected, the insurance coverage provides protection only against loss of revenue due to a production loss, price decline, or a combination of both.

Revenue Protection Guarantee Per Acre: For RP only, the amount determined by multiplying the production guarantee (per acre) by the greater of the projected price or the harvest price. If the harvest price exclusion is elected, the production guarantee (per acre) is only multiplied by the projected price.

Revenue Protection with Harvest Price Exclusion (RPHPE): Insurance coverage that excludes the use of the harvest price in the determination of the revenue protection guarantee.

Revised Acreage Report or Raisin Tonnage Report: A report that is completed when changes and/or corrections are made to the original acreage or tonnage report. Revised AR (tonnage reports) prepared after the acreage (tonnage) reporting date, must be approved by the AIP before they are processed.

Revoked Certification: An organic operation that was originally certified and certification is subsequently revoked by AMS NOP designated official. The organic operation (or person(s) involved with the organic operation) whose certification has been revoked will be ineligible to receive certification for a period of five years following the date of such revocation, except the Secretary of Agriculture may, when in the best interest of the certification program, reduce or eliminate the period of ineligibility.

Risk Management Agency (RMA): The Risk Management Agency, which operates the Federal crop insurance program on behalf of FCIC.

RMA Assigned Number (RAN): A term used by RMA to refer to a number issued by RMA to an individual who is considered a qualified alien as determined by PRWORA, 8 U.S.C. §1611; or, to a trust administered by the BIA, and Indian Tribal Ventures that does not have an EIN.

RMA Web Site: A web site hosted by RMA and located at www.rma.usda.gov or a successor website.

RO Determined Yields: The approved yield determined by the RMA RO.

Root Mean Square Error: The square root of the average of the set of squared differences between dataset coordinate values and coordinate values from an independent source of higher accuracy for identical points.

Sales Closing Date (SCD): A date contained in the SP by which an Application must be filed. The last date by which the insured may change insurance coverage for a CY. ***

Scale Ruler: A calibrated ruler for use with tapes graduated in chains and feet. Scale rulers for chains are graduated in 660 feet (60 parts to inch and 2,000 feet (75.7 parts to inch)). A tool that can be used by FSA to determine acreage measurements.

SCO Payment Factor: The factor that represents the production area wide loss as compared to the supplemental coverage range. The payment factor is used to determine the amount of indemnity to be paid under the SCO Endorsement.

SCO Range: The percent of the insured's expected crop value that can be covered by the SCO Endorsement. It is the difference between the area loss trigger and the coverage level of the underlying policy, expressed as a whole percentage.

Second Crop: With respect to a single CY, the next occurrence of planting any agricultural commodity for harvest following a first insured crop on the same acreage. The second crop may be the same or a different agricultural commodity as the first insured crop, except the term does not include a replanted crop. If following a first insured crop, a cover crop that is planted on the same acreage and harvested for grain or seed is considered a second crop. A crop that is covered by NAP or receives other USDA benefits associated with forage crops is considered a second crop. A crop meeting the conditions stated in this definition is considered a second crop regardless of whether it is insured.

Secretary: The Secretary of the USDA.

Section: For the purposes of unit structure, a unit of measure under a rectangular survey system (PLSS) describing a tract of land usually one mile square and usually containing approximately 640 acres.

Section Equivalent: Units of measure which are legally recorded and consist of at least 640 acres.

Share: The insured's insurable interest in the insured crop as an owner, operator, sharecropper, or tenant at the time insurance attaches. However, only for the purpose of determining the amount of indemnity, the insured's share will not exceed the insured's share at the earlier of the time of loss or the beginning of harvest. Unless the accepted Application clearly indicates that insurance is requested for a partnership or joint venture, or is intended to cover the landlord's or tenant's share of the crop, insurance will cover only the share of the crop owned by the person completing the Application. The share will not extend to any other person having an interest in the crop except as may otherwise be specifically allowed in the BP.

> Cash Lease (100 Percent Share): Acreage rented for cash is considered a cash lease. A lease containing provisions for either a minimum payment or a crop share will be considered a cash lease.
>
> Crop Share: Acreage rented for a percentage of the crop will be considered a crop share lease. A lease containing provisions for both a minimum payment (such as a specified amount of cash, bushels, pounds, etc.) and a crop share will be considered a crop share lease.

Sharecropper: A person who works the land for a share of the crop produced on the land.

Short-rated Acreage: If authorized by the applicable CP and AD, acreage that will be destroyed prior to harvest and reported to the AIP by the date designated in the crop's SP, the insured will obtain a reduced premium rate.

Simple Average T-Yields (SA-T): SA-T are calculated from the individual insured's yield data by determining a simple average of all approved yields (and adjusted yields if YE, TA or cups apply to an APH database) by P/T/TMA for existing units' APH databases that contain at least one actual or assigned yield for the crop for the insured's farming operation for the county/crop policy.

Sketch Map: A diagram showing where fields or production are located.

Social Security Number (SSN): A nine-digit number issued by the United States SSA to an individual for purposes of Sec 205(c)(2)(A) of the Social Security Act.

Special Provisions (SP): The part of the policy that contains specific provisions of insurance for each insured crop that may vary by geographic area. ***

Special Report: A form used to record facts (e.g., used as an attachment to claims or AR when there is not enough room in the narrative to record required documentation and for additional documentation regarding controversial claims, unusual cases, uninsured causes, not following GFP, etc.).

Split Farming Operation: An operation that uses conventional, sustainable and organic farming practices to produce both organic and nonorganic agricultural products.

Standard Reinsurance Agreement (SRA): The agreement between an AIP and FCIC by which the insurer cedes to FCIC certain liabilities arising from the insurer's sales of insurance policies in return for a portion of premium monies and administrative expense reimbursements.

State: The State shown on the insured's accepted Application.

State Premium Subsidy: The portion of the premium paid by the State, when applicable.

Subclass: A specific subgroup of class.

Sub-Field: A part of a field where damage is so variable within the field that smaller divisions of the field are necessary in order to make accurate appraisals.

Subsidy: The portion of the total premium that FCIC will pay in accordance with the ACT.

Subsidy Factor: The percentage of the total premium paid by FCIC as a subsidy.

Substantial Beneficial Interest (SBI): An interest held by any person of at least 10 percent in the applicant/insured (e.g., there are two partnerships that each have a 50 percent interest in the insured and each partnership is made up of two individuals, each with a 50 percent share in the partnership. In this case, each individual would be considered to have a 25 percent interest in the insured, and both the partnerships and the individuals would have an SBI in the insured. The spouses of the individuals would not be considered to have an SBI unless the spouse was one of the individuals that made up the partnership. However, if each partnership is made up of six individuals with equal interests, then each would only have an 8.33 percent interest in the insured and although the partnership would still have an SBI in the insured, the individuals would not for the purposes of reporting a person with an SBI). The spouse of any individual applicant or individual insured will be presumed to have an SBI in the applicant or insured unless the spouses can prove they are legally separated or otherwise legally separate under the applicable State dissolution of marriage laws. Any child of an individual applicant or individual insured will not be considered to have an SBI in the applicant or insured unless the child has a separate legal interest in such person.

Substituted Yield: A yield established by multiplying the applicable T-Yield by 60 percent or 80 percent for BFR or VFR.

Summary of Coverage: A statement to the insured, based upon the insured's AR, specifying the insured crop and the guarantee or amount of insurance coverage provided by unit.

Supplemental Protection: The dollar amount of insurance provided by the SCO Endorsement for each coverage level, type and practice.

Suspended Certification: An organic operation that was originally certified; however, certification for the operation or portion of the operation is subsequently suspended by AMS NOP designated official.

Sustainable Farming Practice: A system or process for producing an agricultural commodity, excluding organic farming practices, that is necessary to produce the crop and is generally recognized by agricultural experts for the area to conserve or enhance natural resources and the environment.

Synthetic: A substance originated from a manufactured chemical process or by a process that chemically changes a substance extracted from naturally occurring plant, animal, or mineral sources, except that such term shall not apply to substances created by naturally occurring biological processes.

Temporary Yield: An annual yield used in place of an actual yield when the insured is unable to finish harvest due to an insurable COL, a delayed claim for indemnity, or the insured's production records are unavailable from the processor, marketing outlet, or similar point of crop distribution by the PRD.

Tenant: A person who rents land from another person for a share of the crop or a share of the proceeds of the crop. Refer to the definition of Share.

Termination: When the policy is no longer in effect as of the date specified in the policy.

Termination Date: The calendar date contained in the CP upon which insurance ceases to be in effect because of nonpayment of any amount due the AIP under the policy, including premium.

Third Party Damage: Damage to a crop that results from the actions of a third party, outside of the control of the insured. An example of third party damage would be when a neighbor negligently applies chemicals and the resulting spray drift damages the insured's crop.

Tilled: The termination of existing plants by plowing, disking, burning, Application of chemicals, or by other means to prepare acreage for the production of a crop.

Timely Planted: Planted on or before the FPD designated in the SP for the insured crop in the county.

Total Premium: The amount of premium before subsidy, calculated in accordance with section with the policy.

Township: Generally, a tract of land approximately six miles square containing approximately 36 sections, each one-mile square.

Transfer of Contract/Policy: The transfer of a contract/policy to another person or AIP.

Transfer of Coverage: Refer to Transfer of Coverage and Right to an Indemnity.

Transferee: The person who receives the Transfer of Coverage and Right to an Indemnity from another person, the transferor.

Transferor: The insured who transfers its coverage under the policy and the right to an indemnity to another person, the transferee.

Transitional Acreage: Acreage in transition to organic where organic farming practices are being followed, but the acreage does not yet qualify as certified organic acreage.

Transitional Yield (T-Yield): An annual yield established within the county, or homogeneous area of land, for a crop, type, practice, map area, or other actuarial basis, as provided in the AD or calculated in accordance with FCIC-approved procedures.

Trigger Yield: The yield amount calculated in accordance with ARPI Sec 12(c).

T-Yield Map Area (TMA): An area classification in the AD for a county that contains a specific T-Yield for that area.

Type: Categories of the insured crop consisting of unique combinations of commodity type, class, subclass, and intended use as shown on the AD as insurable.

Unavoidable Uninsured Fire (UUF): Fire caused by an uninsured and unavoidable COL resulting from actions outside the control of the insured. For example, fire caused a passing train which sparks a fire that spreads to and destroys a grain crop is clearly caused by a third party and is unavoidable; fire caused by an insured setting fire to burn brush that spreads and burns their crop is within the insured's control.

Uninsurable Acreage: Acreage that does not meet the insurability requirements as defined by the policy.

Unit: The insurable acreage of the insured crop in the county used to establish the approved yield, production guarantee/amount of insurance, indemnity, as applicable. Unit structure is defined in the policy.

Unmanned Aerial Vehicle (UAV): An aircraft piloted by remote control or onboard computers; also referred to as a drone or UAS.

Unrated Land: Land which is not rated in the AD (also referred to as unclassified or uninsurable). This land requires a WA for insurability.

Upside Harvest Price Protection: Coverage provided automatically under the ARP plan of insurance. This coverage increases the final policy protection when the harvest price is greater than the projected price. This coverage is not available under either the ARPHPE or the AYP plans of insurance.

Variable T-Yields: The applicable T-Yield multiplied by a percentage factor and used as an annual yield in the APH database according to FCIC-approved procedures, or as otherwise provided in the policy. The percent of the applicable T-Yield is determined by the number of years of acceptable actual, assigned, or temporary yields available for the crop in the county, unless otherwise specified by FCIC-approved procedures.

Varying Share: A landlord-tenant agreement that allows for different crop shares within the same unit.

Verifiable Record: A contemporaneous record from a disinterested third party that substantiates the insured's actual production reported on the production report. The record must be a document or evidence from a disinterested third party that is accurate and can be validated or verified by the AIP.

Verifier: An AIP authorized by RMA to calculate approved yields.

Verify: To, determine by inspection, whether information submitted is true and accurate through independent means in accordance with procedures. With respect to certifications, asking the provider of the information whether the information is true and accurate does not constitute verification. Information from independent third parties or independent documentation must be obtained.

Veteran Farmer or Rancher (VFR):

(1) An individual who has served active duty in the United States Armed Forces, including the Air Force, Army, Coast Guard, Marine Corps, Navy, or Space Force, and their reserve components; was discharged or released under conditions other than dishonorable; and: (i) Has not operated a farm or ranch; (ii) Has operated a farm or ranch for not more than five years; or (iii) First obtained status as a veteran during the most recent five-year period.

(2) A person, other than an individual, may be eligible for VFR benefits if all SBI holders qualify individually as a VFR in accordance with Para. (1) of this definition; except in cases in which there is only a married couple, then a veteran and non-veteran spouse are considered a VFR.

Void: When the policy is considered not to have existed for a CY.

Volatility Factor: A measure of variation of price over time found in the AD.

Volunteer Crop: A crop that was planted in a previous CY on the applicable acreage or drifted from other acreage, successfully self-seeded, and is growing this CY on the applicable acreage without being intentionally sown or managed.

Weather Event Late Payment of Debt: A weather event that is severe and so unusual that it creates, or could have created, a situation that prevented timely payment.

Whole-Farm Unit (WU): All insurable acreage of all the insured crops planted in the county in which the insured has a share on the date coverage begins for each crop for the CY and for which the WU structure is available in accordance with the BP.

Written Agreement (WA): A document that alters designated terms of a policy as authorized under the BP, the CP, or the SP for the insured crop.

Yield Based Plan of Insurance: A plan of insurance in which the guarantee is based on production yields.

Yield Descriptors: Codes used to identify different types of yields reported in APH databases.

Yield Indicators: Codes used to identify different types of APH databases. See Appendix III for a list of yield indicators.

Yield Limitations/Yield Floor: Adjustments made to average APH yields, when applicable, which result in the approved yield.

Yield Protection (YP): A plan of insurance that only provides protection against a production loss and is available only for crops for which RP is available.

Yield Protection Guarantee Per Acre: When YP is selected for a crop that has RP available, the amount determined by multiplying the production guarantee by the projected price.

Zero Acreage Report: An AR, filed by an insured that certifies the insured does not have a share in the crop.

Exhibit 4A Person Types and Documentation

The following chart provides a non-exhaustive list of examples of acceptable signatures and required documentation for person types. More information on signatures can be found in Para. 854.

Person Type	Insured Person	Acceptable Signature Examples	Documentation Needed	Id Number
Individual	John C. Doe	John C. Doe	None	SSN of Individual
Individual Operating As a Business	Northam Land Company c/o John C. Doe	• Northam Land Company by John C. Doe, Sole Owner • by John C. Doe, Owner, Northam Land Company • Northam Land Company by John C. Doe, Sole Proprietor • John C. Doe, DBA Northam Land Company	None	EIN FT. 1 and 3
Individual Operating As a Business (Married Individuals)	Northam Land Company c/o John C. Doe (John C. Doe's wife is Jane Doe)	• Northam Land Company by John C. Doe, Sole Owner (or Jane Doe) • by John C. Doe, Owner, Northam Land Company (or Jane Doe) • Northam Land Company by John C. Doe, Sole Proprietor (or Jane Doe) • John C. Doe, DBA Northam Land Company (or Jane Doe) (either spouse may sign)	None	EIN FT. 1 and 3
Individual (Joint & Survivorship Interest)	John W. Doe or Mary C. Doe	(Both must sign) John W. Doe Mary C. Doe	If they are not spouses, statements signed by both parties showing authority of one to act for the other	SSN of Individual
Individual (Minor, Natural Guardian)	John Doe, (minor) by Fred Doe, Guardian	(Both must sign) John Doe Fred Doe, Guardian for John Doe	Statement signed by minor and guardian showing qualifications as separate person	SSN of Minor
Individual (Minor Unable To Enter Into Contracts Or Incompetent With Court-Appointed Guardian)	Frank W. Doe c/o John H. Doe, Guardian	John H. Doe Guardian for Frank W. Doe,	Statements signed by court-appointed guardian showing where court decree can be verified	SSN of Minor or Incompetent
Individual (Authorized Signature)	John C. Doe	John C. Doe By Richard C. Roe, Under Power of Attorney	POA	SSN of insured
Individual Married (spousal)	John C. Doe	John C. Doe or Jane Doe (either spouse may sign)	None	SSN of Individual FT. 3

Exhibit 4 Person Types and Documentation (Continued)

Person Type	Insured Person	Acceptable Signature Examples	Documentation Needed	Id Number
Entity Insuring A Landlord's Or Tenant's Share	John C. Doe	John C. Doe	Evidence of other parties' approval such as lease or POA	EIN or SSN of landlord/tenant FT. 1, 2, 3 or 4
Joint Ventures, Including **Joint Operators** **Co-Owners**	James L. Smith and John A. Brown, Joint Venture James L Smith and John A. Brown, Joint Venture James L. Smith, and John A. Brown, Joint Venture	(All must sign) James L. Smith John A. Brown	Note if all sign, or POA authorizing signature	Joint Interest EIN or SSN's FT. 2
Partnership (Written Or Oral)	Jones and Smith, A Partnership c/o Sam Jones	• Jones and Smith, A Partnership By Sam Jones, A Partner • by Sam Jones, Partner	Statement signed by all partners certifying they are members of the partnership or copy of written partnership agreement signed by all partners	EIN for the Partnership FT. 4
Corporation (With Stockholders)	ABC Company, Inc. c/o Richard Roe, (Title) First National Bank of Dallas c/o John H. Doe, (Title)	• ABC Company, Inc. by Richard Roe, (Title) • by Richard Roe, (Title) • First National Bank of Dallas By John H. Doe, (Title) • John H. Doe, (Title) of First National Bank of Dallas	Statement where articles of incorporation/organization are filed. Indicate in which State incorporation was filed. Application must be signed by authorized person.	EIN for the Corporation FT. 4
Limited Liability Company (LLC)	Jones Farms, LLC c/o Sarah Jones	• Jones Farms, LLC by Sarah Jones • by Sarah Jones, President • Jones Farms, LLC by Sarah Jones, President	Statement indicating which State the Articles of Organization are filed. Application must be signed by authorized person.	SSN or EIN for the LLC FT. 4
Estate	Estate of Richard Roe, Deceased, c/o John H. Doe, Executor (or Administrator)	Estate of Richard Roe, Deceased, by John H. Doe Executor (or Administrator)	Statement advising where authority can be found	EIN for the Estate
Trust - Irrevocable	Ralph R. Doe, Trust, c/o Richard Roe, Trustee	• Ralph R. Doe Trust, by Richard Roe, Trustee • by Richard Roe, Trustee	Statement advising where authority can be found	EIN for the Trust
Trust - Revocable	John H. Doe, Revocable Trust, c/o Richard Roe, Trustee	• John H. Doe, Trust, by Richard Roe, Trustee • by Richard Roe, Trustee • by Richard Roe, Trustee for John H. Doe Revocable Trust	Statement advising where authority can be found	SSN/EIN for the Trust (if applicable) and SSN of Grantor FT. 4

Person Type	Insured Person	Acceptable Signature Examples	Documentation Needed	Id Number
Trust - Bia	(Name of Trust) BIA Trust 0016	BIA Trust 0016 by John Doe Trustee or Power of Attorney	Statement advising where authority can be found	State County BIA# Example: 01 201 0016
Receiver Or Liquidator	XYZ Company c/o John H. Doe, Receiver (or Liquidator)	XYZ Company By John H. Doe, Receiver or Liquidator & Court-Appointed	Statement advising where authority can be found	EIN of Named Insured or Correspondent's EIN

Footnotes for Exhibit 4:

(1) If EIN, individual MUST be listed as SBI and SSN/RAN of individual provided.

(2) All PERSONS insured MUST be listed as SBI and EIN, RAN, or SSN provided.

(3) SSN/RAN of spouse must be listed as an SBI.

(4) SSN/EIN/RAN of any person with SBI.

Exhibit 4B Authorized Signer Allowances

An authorized signer has been granted signing authority by the named insured or its authorized representative through the Non-Substantive Signatory Statement as outlined in Para. 854. The following is a non-exhaustive list of items an authorized signer may or may not be allowed to execute/sign. This exhibit is specific to authorized signers only. POAs, authorized representatives, and spouses have different authorities, see Para. 854.

Documents/Actions	Authorized Signer
Execute a policy for a crop or county, including adding a crop or a county, changing a plan of insurance not within the same BP (e.g., YP to ARP)	No
Cancel a crop/county for a policy	No
Add or Remove another authorized signer	No
Add or Remove SBI from policy	No
Change Coverage Levels on existing policy	Yes
Change plan of insurance on an existing policy within the same BP (e.g., YP to RP, RP to RP-HPE)	Yes
Add or remove yield options to a policy (e.g., YE, YA, TA)	Yes
Add or remove Endorsements, Options, or Elections to a policy (e.g., HIP-WI, SCO, HR-LEO)	Yes
Add, remove, or change Added County election, including changes to the designated county	No
Add or remove Limited Resource Farmer	No
Sign a Marketing Certification	Yes
Sign a BFR/VFR application	No
Sign Acreage Report	Yes
Sign Production Report	Yes
Sign Claim Paperwork	Yes
Add Quarterly Coverage Endorsement/Specific Coverage Endorsement	Yes
Sign Assignment of Indemnity	Yes
Sign Transfer of Coverage and Right to an Indemnity	No
Sign Conservation Compliance Documentation	Yes*
Sign document(s) to transfer a policy to a new AIP	No

*All relevant requirements of GSH Para. 854 must be met.

Exhibit 5 Person Status Change

Date of Death, Disappearance, Judicial Declaration of Incompetence, or Dissolution	Person Type(s)	Payee	Action
More than 30 days before Cancellation Date	**Individual** (including: Minor; Mentally Incompetent; Represented by Appointees, Married (Spousal)(share converts to estate)). **Individual Operating as a Business.** **Partnership** (including: General; Limited; Limited Liability). **Joint Ventures.** **Corporations.** **LLC.** **Revocable Trust.**	N/A	Policy Canceled
30 Days or less before the Cancellation Date	**Individual** (including: Minor; Mentally Incompetent; Represented by Appointees, Married (Spousal)(share converts to estate)). **Individual Operating as a Business.** **Partnership** (including: General; Limited; Limited Liability). **Joint Ventures.** **Corporations.** **LLC.**	Pay person determined to be beneficially entitled	Policy continues in effect through CY; change to appropriate person in subsequent CY
30 Days or less before the Cancellation Date	**Revocable Trust**	Reverts to Irrevocable Trust	Policy continues in effect through CY; change to appropriate person in subsequent CY
Anytime	**Joint/Survivor**	Survivors in equal shares without court proceedings	Interest transfers to the survivors in equal shares without court proceedings
Anytime	**Individual** - Married (Spousal)(share converts to spouse)	Pay surviving spouse	Policy defaults to surviving spouse
Entity formed as a result of a previous individual's death	**Estate**	EIN of Estate	Continues until settlement of the estate

A. General Information

In accordance with the 14th amendment to the U.S. Constitution, any person born in and subject to the jurisdiction of the United States is a citizen of the U.S. at birth. U.S. citizenship may also be acquired through derivation from a U.S. citizen parent when children are born abroad or through naturalization after meeting the necessary residency requirements. All persons not citizens or nationals of the U.S. are aliens, which generally are classified as Permanent Residence ("immigrants"), Non-immigrants, or Undocumented Aliens.

(1) Permanent Aliens enjoy almost all of the same rights as U.S. citizens. This status may be obtained through a number of different procedures, and unless taken away administratively, is granted for life. Aliens with permanent residency must carry evidence of their status.

(2) Non-Immigrant Aliens are admitted to the U.S. for a temporary period of time and for a specific purpose, most often as tourist. There are different categories of non-immigrants, and they are identified through letter/symbol (e.g., B-2). Non-immigrants are also required to present evidence of their lawful status in the U.S. to officers of the USICE. This will usually consist of a passport containing a visa and an Arrival/Departure Record (i.e., Form I-94 or CBP I-94A).

(3) Undocumented Aliens are those who may have crossed the border illegally and/or been smuggled into the interior of the U.S., or those who have violated their non-immigrant status by accepting unauthorized employment, remaining longer than permitted, or committing some other violation. Some of these aliens purchase counterfeit documents or assume another person's identity by using fraudulently obtained genuine documents.

B. Status Documentation

Any of the following documents is acceptable evidence of eligible immigration status:

(1) alien lawfully admitted for permanent residence:

(a) CIS Form I-551 (Permanent Resident Card, commonly known as a "green card");

(b) Unexpired Temporary I-551 stamp in foreign passport or on CBP Form I-94;

(c) MRIV and unexpired temporary I-551 stamp in a foreign passport;

(d) MRIV containing temporary I-551 language and endorsed with an unexpired CBP admission stamp in a foreign passport; or

(e) U.S. Travel Document.

(2) asylee:

(a) CIS Form I-766 (Employment Authorization Document) annotated "A5";

(b) grant letter from the Asylum Office of CIS;

B. Status Documentation (Continued)

(c) CBP Form I-94 annotated with stamp showing grant of asylum under § 208 of the INA;

(d) order of an immigration judge granting asylum; or

(e) U.S. Travel Document.

(3) refugee:

(a) CIS Form I-766 (Employment Authorization Document) annotated "A3";

(b) CBP Form I-94 annotated with stamp showing admission under §207 of the INA;

(c) CIS Form I-571 (Refugee Travel Document); or

(d) CIS U.S. Travel Document.

(4) alien paroled into the U.S. for a least one year:

CBP Form I-94 with stamp showing admission for at least one year under § 212(d)(5) of the INA. (Applicant cannot aggregate periods of admission for less than one year to meet the one-year requirement.)

(5) alien whose deportation or removal was withheld:

(a) CIS Form I-766 (Employment Authorization Document) annotated "A10"; or

(b) order from an immigration judge showing deportation withheld under § 243(h) of the INA as in effect prior to April 1, 1997, or removal withheld under § 241(b)(3) of the INA.

(6) alien granted conditional entry:

(a) CBP Form I-94 with stamp showing admission under § 203(a)(7) of the INA; or

(b) CIS Form I-766 (Employment Authorization Document) annotated "A3."

(7) Cuban/Haitian entrant:

(a) CIS Form I-551 (Permanent Resident Card, commonly known as a "green card") with the code CU6, CU7, or CH6;

(b) unexpired temporary I-551 stamp in foreign passport or on *CBP Form I-94 with the code CU6 or CU7; or

(c) CBP Form I-94 with stamp showing parole as "Cuba/Haitian Entrant" under § 212(d)(5) of the INA.

B. Status Documentation (Continued)

(8) alien who has been battered or subjected to extreme cruelty.

Refer to "Interim Guidance on Verification of Citizenship, Qualified Alien Status and Eligibility under Title IV of [PRWORA]," 62 Federal Register 6344-02 (Nov. 17, 1997), Exhibit B.

C. Selected U.S. Travel and Identity Documents

(1) "Pink" I-551 "Resident Alien" Card

This card is valid for 10 years from the date of issue. The expiration date indicates the card expires and must be renewed. It does NOT indicate that the alien's status has expired. The Alien Registration Receipt Card, commonly referred to as a "green card" contains no expiration and is commonly confused with the "resident alien" card. However, this card is not acceptable evidence of permanent residence.

(a) FRONT: Pink background (blue header bar); blue INS seal overlaps photo area. Repeating "I-551" becomes visible when card is tilted under normal light. Expiration date on front of card: Month, day, and year.

(b) BACK: Color gradually changes from pink to blue, with map of U.S. in white. Three lines of machine-readable printing at bottom on white background. Immigrant classification and admission/adjustment date on back of card. First set of code is immigrant classification, beginning with letter(s) followed by numbers(s). Third set of code is admission/adjustment date, beginning with year, month, and day. White box should contain the Alien's fingerprint.

(2) "White" I-551 "Resident Alien" Card

This card was issued between 1977 and 1989 and does not have an expiration date. The Alien Registration Receipt Card, commonly referred to as a "green card" contains no expiration and is commonly confused with the "resident alien" card. However, this card is not acceptable evidence of permanent residence.

(a) FRONT: White background (blue header bar); salmon lines cover the photo in an unbroken pattern. Printing "detail" in eagle is excellent. Immigrant classification is on front of card in lower right corner, beginning with letter(s) followed by number(s).

(b) BACK: Pale greenish background, map of U.S. in white and three lines of machine-readable codes. Admission/adjustment date is at bottom, left corner on back of card, beginning with year, month, and day.

(3) "Permanent Resident Card" I-551

(a) Introduced in 1997, replaces the Resident Alien Card.

C. Selected U.S. Travel and Identity Documents (Continued)

(i) FRONT: White background includes a three-line machine readable zone and the addition of a hologram.

(ii) BACK: The Optical Memory Stripe on the reverse contains encoded cardholder information as well as a personalized etching which depicts the bearer's photo, name and signature, date of birth, alien registration number, card expiration date, and card number.

(b) The latest version introduced in 2004, retains many of the same features of the 1997 version while updating the design.

(i) FRONT: The card shows the seal of the Department of Homeland Security and contains a more detailed hologram.

(ii) BACK: The Optical Memory Stripe on the reverse retains the same features of the 1997 card. The stripe contains the encoded cardholder information on the card bearer. Each card is personalized with an etching showing the bearer's photo, name and signature, date of birth, alien registration number, card expiration date, and card number.

(4) Unexpired Foreign Passport With I-551 Stamp

An I-551 stamp may be present in a foreign passport, with a handwritten "Valid Until" date. A proof of entry and inspection stamp will also present in the passport, similar to the stamp for an I-94. Date of entry is stamped. Immigrant visa classification (letter and number) is printed or stamped on "Admitted" line. Valid status expires on date enumerated at "Until" section of I-551 stamp. The alien number may be printed beginning with letter A.

(5) I-94 Arrival/Departure Record

When an alien has been granted admission to the U.S. by a U.S. Customs and Border Protection Inspector at an authorized port of entry, they will be issued an ARRIVAL/DEPARTURE RECORD, Form I-94, the bottom portion of which is stapled to a page in the alien's passport. This document explains how long the bearer may remain in the U.S. and the terms of admission.

Many ports of entry along the land borders with Canada and Mexico use a modified I-94, the I-94A. This form is computer generated, with both the bearer's personal information and the terms of admission printed onto the form instead of written by hand.

Proof of entry is signified by U.S. immigration stamp. Date of entry is stamped.

(a) Non-immigrant visa classification (letter or letter and number) is printed or stamped on "Admitted" line. Valid status expires on date enumerated at "Until" section of stamp.

C. Selected U.S. Travel and Identity Documents (Continued)

(b) Refugees and asylees each receive a separate INS stamp. Asylum seekers have "valid to" date, while refugees have a date of admission.

(6) "Red" I-766 "Employment Authorization"

(a) FRONT: White background, red header bar. Statue of Liberty, USA, and INS symbols become visible when tilted under normal light. Expiration date is at bottom, right corner. Non-immigrant category listed over justice seal by a letter and number abbreviation of the 274A.12 immigration law citation.

(b) BACK: White background, black magnetic strip and standard bar code and two-dimensional barcode.

(7) "USA B1/B2 Visa/Bcc" Dsp-150 "Border Crosser Card"

The bearers of this card are not entitled to work in the U.S., and this is not acceptable evidence of qualified alien status.

(8) Decision Granting Asylum

Documents issued to aliens, granted asylum vary.

(9) Refugee Travel Document Form I-571

Form I-571 is issued by the INS to aliens who have been classified as refugees or asylees. The refugee travel document is valid for only one year.

(10) Order Granting Withholding of Deportation

The documents used by immigration judges to grant withholding of deportation vary.

Exhibit 8 Crop Policy Information

This exhibit is intended to be a quick reference guide, as of June 30, 2026, and does not change any policy or procedural requirements. Please refer to the appropriate policy documents for more detailed requirements and limitations. All superscript numbers refer to footnotes found at the end of the Exh.

YP, RP [FT1], RPHPE [FT1] & PRV Crops	Basic Provisions	Crop Provisions	LP/PP	Replant [FT1]	Unit of Measure	Unit(s): Basic (B) Optional (O) [FT1] Enterprise (E) [FT1] Whole-Farm (W) [FT3]	High-Risk Land Ex. Opt. [FT4]
Small Grains: (Barley [FT5, FT18, FT19], Flax [FT19], Oats [FT19], Rye [FT19], Wheat [FT19])	26-BR, 27.1-BR	27-0011	LP/PP	Yes [FT14, FT15]	bu.	B/O [FT12]/E/W	Yes
Canola/Rapeseed [FT18, FT19]	26-BR, 27.1-BR	27-0015	LP/PP	Yes	lbs.	B/O [FT9]/E/W	Yes
Coarse Grains: (Corn [FT18, FT19], Grain Sorghum [FT19], Soybeans [FT18, FT19])	26-BR	25-0041	LP/PP	Yes	bu./ton	B/O/E/W	Yes
Cotton [FT19]	26-BR	26-0021	LP/PP		lbs.	B/O/E/W	Yes
Peanut	26-BR	20-PT-075	LP/PP	Yes	lbs.	B/O/E	Yes
Pecan Revenue (PRV)	25-BR	25-0020			$/lbs.	B/O [FT8]/E [FT12]	Yes
Popcorn [FT19]	26-BR	17-043	LP/PP	Yes	lbs.	B by contract/ O [FT11]/E	Yes
Popcorn (Revenue)	26-BR	17-PRC-043	LP/PP	Yes	lbs.	B by contract/O [FT11]/ E [FT13]	Yes
Rice [FT19]	26-BR	20-0018	LP/PP	Yes	lbs.	B/O [FT7]/E/W	Yes
Sunflower Seed [FT19]	26-BR	25-0078	LP/PP	Yes	lbs.	B/O/E/W	Yes

APH Crops	Basic Provisions	Crop Provisions	LP/PP	Replant	Unit of Measure	Unit(s): Basic (B) Optional (O) [FT1] Enterprise (E) [FT13]	High-Risk Land Ex. Option [FT4]
Almonds [FT19]	25-BR	25-028			lbs.	B/O [FT6, FT22]/E	Yes
Apples [FT19]	25-BR	11-0054			box/bu.	B/O [FT10]/E	Yes
Avocados - CA [FT19]	26-BR	26-0019			lbs.	B/O [FT13, FT6, FT10]/E	Yes
Avocados - FL [FT19]	25-BR	23-0019a			bu.	B/O [FT6, FT9]	Yes
Beans, Dry [FT18, FT19]	26-BR	25-0047	LP/PP	Yes	lbs.	B by contract/O [FT9, FT11]/E	Yes
Beans, Fresh Market	26-BR, 27.1-BR	25-0105			carton	B/E [FT13]	No
Beans, Processing [FT17, FT19]	26-BR	25-046	LP/PP		ton	B by contract/O [FT11]/E	Yes
Blueberries [FT19]	25-BR	25-012			lbs.	B/O [FT13]	Yes

APH Crops	Basic Provisions	Crop Provisions	LP/PP	Replant	Unit of Measure	Unit(s): Basic (B) Optional (O) [FT1] Enterprise (E) [FT13]	High-Risk Land Ex. Option [FT4]
Cabbage [FT19]	26-BR, 27-BR	23-0072		Yes	cwt.	B by planting period/ O [FT9]/E [FT21]	Yes
Camelina [FT17]	26-BR, 27.1-BR	26-0333	LP	Yes	lbs.	B/O/E	Yes
Caneberry, Fresh Market (Pilot)	25-BR	24-6000			lbs.	B [FT13]/O [FT8]	Yes
Citrus - AZ & CA [FT19]	26-BR	26-0126			carton	B by Crop/O [FT12]/E	Yes
Citrus - FL (Pilot)	26-BR	27-FCF			box	B by Crop/O [FT7, FT12]/E [FT12]	Yes
Citrus Fruit - TX [FT19]	26-BR	25-0226			ton	B by Crop/O [FT7, FT12]/E	Yes
Clary Sage [FT17]	27-BR	16-0079	LP	Yes	$/lbs.	B/O/E	Yes
Cotton, ELS [FT19]	26-BR	17-0022	PP		lbs.	B/O/E [FT21]	Yes
Cranberries [FT19]	25-BR	23-058			barrel	B/O [FT6, FT8]/E	Yes
Cucumbers, Pickling Machine Harvested [FT17]	26-BR	22-0132		Yes	bu.	B/O [FT13]	Yes
Cultivated Wild Rice [FT19]	26-BR, 27.1-BR	09-0055			lbs.	B/O [FT7]/E [FT21]	Yes
Figs [FT19]	25-BR	25-060			lbs.	B by Type/O [FT6, FT22]/E	Yes
Forage Production [FT2, FT19]	27.1-BR	27-033			ton	B/O/E [FT21]	Yes
Forage Seed - Alfalfa	27.1-BR	27-0107			lbs.	B/O [FT11]/E [FT21]	Yes
Grapes	25-BR	10-0053			ton	B/O [FT12]/E	Yes
Grapes, Table [FT19]	25-BR	23-0052			lug	B/O [FT12]/E	Yes
Grass Seed [FT17]	27.1-BR	27-0102			lbs.	B/O/E All Units by Type	Yes
Hawaii Tropical Fruit (Banana, Coffee, Papaya) [FT19]	25-BR, 26-BR	23-0255			lbs.	B/O [FT7, FT12]	Yes
Hemp [FT17]	26-BR	25-1218			lbs.	B/O/E	No
Kiwifruit (Pilot)	25-BR	24-0463			lbs.	B/O[FT8]/E[FT12]	
Macadamia Nut [FT19]	26-BR	26-0023			lbs.	B/O [FT6, FT22]/E	Yes
Millet [FT19]	26-BR	17-017	LP/PP		bu.	B/O/E [FT21]	Yes
Mint [FT19]	27.1-BR	08-074			lbs.	B by Type/O/E [FT21]	Yes
Mustard [FT17]	26-BR	17-0069	LP/PP	Yes	lbs.	B/O[FT9]/E [FT21]	Yes
Olives (Pilot)	25-BR	24-0501			ton	B/E[FT12]	Yes
Onion [FT19]	26-BR. 27.1-BR	23-0013	LP/PP	Yes	cwt.	B/O[FT9]/E [FT21]	Yes
Peaches	25-BR	23-0034			bu.	B/O[FT10]/E	Yes
Pears[FT19]	25-BR	24-0089			ton	B/O[FT12]/E	Yes
Peas, Dry [FT18, FT19]	26-BR, 27.1-BR	25-0067	LP/PP	Yes	lbs.	B/O[FT9]/E	Yes
Peas, Green [FT17]	26-BR	26-064	LP/PP		lbs.	B by contract [FT12]/ O[FT9, FT11, FT12]/E	Yes

Exhibit 8 Crop Policy Information (Continued)

APH Crops	Basic Provisions	Crop Provisions	LP/PP	Replant	Unit of Measure	Unit(s): Basic (B) Optional (O) [FT1] Enterprise (E) [FT13]	High-Risk Land Ex. Option [FT4]
Pistachios [FT19]	25-BR	26-0470			lbs.	B/O[FT12]/E	Yes
Pomegranates (Pilot)	25-BR	24-0467			ton	B/O [FT10]/E [FT12]	
Potatoes, Central/Southern [FT19]	25-BR, 26-BR, 27-BR, 27.1-BR	25.1-0284	LP/PP		cwt.	B by planting period/O/E [FT21]	Yes
Potatoes, Northern [FT19]	26-BR	25-0184	LP/PP		cwt.	B/O/E [FT21]	Yes
Processing Pumpkins [FT17]	26-BR	25-0147			ton	B by contract/O [FT6, FT11]/E	Yes
Prunes [FT19]	25-BR	25-0036			ton	B/O[FT12]/E	Yes
Safflower [FT19]	25-BR, 26-BR	26-0049	LP/PP	Yes	lbs.	B/O	Yes
Sesame (Pilot) [FT17]	26-BR	25-0396			lbs.	B/O[FT9]/E [FT21]	No
Small Grains: Buckwheat[FT17]	26-BR	25-0011	LP/PP	Yes [FT14, FT15]	bu.	B/O[FT12]/E [FT21]	Yes
Stone fruit [FT19]: Apricots (Fresh/Process), Cling Peaches (Process), Freestone Peaches (Fresh/Process), Nectarines (Fresh), Plums (Fresh)	25-BR	23-0077			lug/ton	B/O [FT12, FT13]/E	Yes
Sugar Beets [FT17, FT19]	26-BR, 27-BR	26-039	LP/PP	Yes	ton	B/O[FT11]/E	Yes
Sugarcane [FT19]	27.1-BR	25-0038			lbs.	B/O/E	Yes
Sweet Corn, Processing [FT17]	26-BR	25-042	LP/PP		ton	B by contract/O [FT6, FT11]/E	Yes
Sweet Potatoes [FT18]	26-BR	24-0156			cwt.	B/O/E	No
Tobacco [FT19]	26-BR	17-0071	LP/PP		lbs.	B/O[FT13]	Yes
Tomatoes, Fresh Market Guaranteed Production Plan [FT19]	25-BR, 26-BR	26-186		Yes	carton	B by planting period/O[FT7]/E	Yes
Tomatoes, Processing [FT17]	25-BR, 26-BR	05-087		Yes	ton	B/O[FT12]/E	Yes
Triticale	26-BR, 27.1-BR	26-TC-0158	LP/PP	Yes	bu.	B by Type/O	Yes
Walnuts [FT19]	25-BR	25-029			lbs.	B/O[FT6, FT22]/E	Yes

Dollar Crops	Basic Provisions	Crop Provisions	LP/PP	Replant	Unit of Measure	Unit(s): Basic (B) Optional (O) [FT1] Enterprise (E) [FT1]	High-Risk Land Ex. Option[FT4]
Chile Peppers (Pilot) [FT17]	26-BR	23-045			$/lbs.	B by contract/O[FT9, FT11, FT12]	Yes
Controlled Environment (Pilot)	26 BR, 27-BR	27-1020			$	B[FT12]	
Cultivated Clams	25-BR	19-0116		Yes	$/per clam	B/O[FT12]	Yes
Citrus Fruit - FL[FT19]	26-BR	14-0026			$/box	B by Group/O[FT12]	Yes
Forage Seeding	26-BR, 27-BR	22-032		Yes	$	B by planting period/O	Yes
Peppers, Fresh Market	26-BR, 27-BR	26-083		Yes	box (1 1/9)	B by planting period/O[FT7]	Yes
Sweet Corn, Fresh Market	26-BR	23-0044		Yes	container	B by planting period/O	Yes
Tomatoes, Fresh Market[FT19]	27-BR	27-0086		Yes	carton	B by planting period/O[FT7]	Yes
Hybrid Seed Corn [FT17]	26-BR	17-062	LP/PP		$	B by contract/O	Yes
Hybrid Seed Rice [FT17]	26-BR	21-0080			$	B by contract/O[FT11]	
Hybrid Sorghum Seed [FT17]	26-BR	17-050	LP/PP		$	B by contract/O[FT11]	Yes
Hybrid Specialty Seed (Pilot) [FT17]	26-BR	22-0093	LP/PP		$	B by contract	No
Hybrid Vegetable Seed (Pilot)[FT17]	27-BR	25-0066			$	B by contract	No
Hybrid Wheat Seed (Pilot) [FT17]	26-BR	26-1011			$	B by contract/O	
Nursery Value Select (NVS) (Pilot)	26 BR, 27-BR	27-1010			$	B[FT12]	
Raisins	26-BR	98-037			ton	B by Variety/O[FT6, FT8]	Yes
Turfgrass Value Select	27-BR	27-1030			$	B [FT12]	

PRH Crops	Basic Provisions	General Provisions	Crop Provisions	LP/PP	Replant	Unit of Measure	Unit(s): Basic (B) Optional (O) [FT1]	High-Risk Land Ex. Option[FT4]
Strawberries (Pilot)	26-BR	27-PRH	27-PRH-0154			$/lbs.	B/O[FT7]	No

ARH Crops	Basic Provisions	Endorsement	Crop Provisions	LP/PP	Replant	Unit of Measure	Unit(s): Basic (B) Optional (O) [FT1] Enterprise (E) [FT1]	High-Risk Land Ex. Option[FT4]
Cherries, Sweet ARH (Pilot)	25-BR	25-ARH	25-0057			$/lbs.	B/O [FT12, FT13]/E	Yes
Cherries, Tart ARH (Pilot)	25-BR	25-ARH	25-0057-Tart			$/lbs.	B/O [FT12, FT13]/E	Yes
Citrus, ARH (Pilot)	26-BR	25-ARH	26-0227			$	B/O[FT6, FT10]/E	Yes

Tree Based Dollar Crops	Basic Provisions	Crop Provisions	LP/PP	Replant	Unit of Measure	Unit(s): Basic (B) Optional (O) [FT1] Enterprise (E) [FT1]	High-Risk Land Ex. Option[FT4]
Apple Tree (Pilot)	26-BR	26-APT			$/tree	B/O[FT12]/E[FT12]	
Citrus Tree - TX (Pilot)	27.1-BR	20-TCT			$/tree	B/O[FT12]/E[FT12]	Yes
Citrus Tree - CA (Pilot)	25-BR	21-CCT			$/tree	B/O[FT12]/E[FT12]	
Florida Fruit Tree	26-BR	21-0014			$/per tree	B by Group/O[FT12]/E	Yes
Grapevine (Pilot)	26-BR	25-0270			$/vine	B/O[FT12]/E [FT12]	
Hawaii Tropical Tree (Banana, Coffee, Papaya)	25-BR	19-0265			$	B/O[FT7, FT10]	Yes
Macadamia Tree (Pilot)	25-BR	19-MT			$/tree	B/O[FT12]	Yes
Pecan Tree (Pilot)	26-BR	23-PCT			$/tree	B/O[FT12]/E[FT12]	

Rainfall Index (RI) (Pilot)	Basic Provisions	Crop Provisions	Expected County Yield	Unit of Measure	Unit: Basic (B)
Annual Forage (Pilot)	27-RI	27-RI-AF	Final Grid Index	Deviation of Normal	B by ID/share/interval
Apiculture (Pilot)	27-RI	22-RI-API	Final Grid Index	Deviation of Normal	B by ID/share/interval
Pasture, Rangeland, Forage (Pilot)	27-RI	26-RI-PRF	Final Grid Index	Deviation of Normal	B by ID/type/share/interval/Organic Practice
Pasture, Rangeland, Forage Hawaii (Pilot)	27-RI	25-RI-PRF Hawaii	Final Grid Index	Deviation of Normal	B by ID/share/interval

Whole-Farm	Basic Provisions	Crop Provisions	LP/PP	Replant	Unit of Measure	High-Risk Land Ex. Option[FT4]
Whole-Farm Revenue Protection (Pilot)	26-0076			Yes	$	No
Micro Farm (Pilot)	26-0076	25-MF-WFRP		No	$	No

Group Risk Protection (GRP)	Basic Provisions	Expected County Yield	LP/PP	Replant	Unit of Measure	Unit: County (C)	High-Risk Land Ex. Option[FT4]
Oysters (Pilot)	09-GRP-Oysters	Yes			lbs.	C	No

APH-PC Crops	Basic Provisions	Crop Provisions	LP/PP	Replant	Unit of Measure	Unit(s): Basic (B)	High-Risk Land Ex. Option [FT4]
Shellfish (Pilot)	25-BR	26-0115			Number of Shellfish (Seed Purchase)	B[FT12]	No

Exhibit 8 Crop Policy Information (Continued)

Area Risk Protection Insurance & Area Risk Protection with Harvest Price Exclusion	Basic Provisions	Crop Provisions	Expected County Yield	LP/PP	Replant	Unit of Measure	Unit: County (C)	High-Risk Land Ex. Option
Corn	26-ARPI	14-ARPI-0041	Yes			bu./$	C	No
Cotton	26-ARPI	14-ARPI-0021	Yes			lbs./$	C	No
Forage Production	27-ARPI	27-ARPI-0033	Yes			bu./$	C	No
Grain Sorghum	26-ARPI	14-ARPI-0051	Yes			bu./$	C	No
Popcorn	26-ARPI	15-ARPI-0043	Yes			bu./$	C	No
Rice (Pilot)	26-ARPI	15-ARPI-0018	Yes			bu./$	C	No
Soybeans	26-ARPI	14-ARPI-0081	Yes			bu./$	C	No
Wheat	26-ARPI, 27-ARPI	27-ARPI-0011	Yes			bu./$	C	No

Livestock & DRP	Basic Provisions	Livestock Provisions	Unit of Measure	Sales Closing	Coverage Levels	Contract Length	Policy Limits
Dairy Revenue Protection	27-DRP		lbs./$	Daily	80-95	Quarterly	
Livestock Gross Margin - Cattle (Pilot)	27-LGM Cattle		cwt./$	Weekly	$0-$150/head	11 months	
Livestock Gross Margin - Swine (Pilot)	27-LGM Swine		cwt./$	Weekly	$0-$20/head	6 months	
Livestock Gross Margin - Dairy (Pilot)	27-LGM Dairy Cattle		cwt./$	Weekly	$0-$2.00/cwt.	11 months	
Livestock Risk Protection - Swine (Pilot)	27-LRP-Basic	27-LRP-Swine	cwt./$	Daily	70-100	13, 17, 21, 26, 30, 34, 39, 43, 47 or 52-week periods	70,000 head/SCE or 750,000 head/year
Livestock Risk Protection - Fed Cattle (Pilot)	27-LRP Basic	27-LRP-Fed Cattle	cwt./$	Daily	70-100	13, 17, 21, 26, 30, 34, 39, 43, 47, or 52-week periods	12,000 head/SCE or 25,000 head/year
Livestock Risk Protection - Feeder Cattle (Pilot)	27-LRP Basic	27-LRP-Feeder Cattle	cwt./$	Daily	70-100	13, 17, 21, 26, 30, 34, 39, 43, 47, or 52-week periods	12,000 head/SCE or 25,000 head/year
Weaned Calf	26-BR	25-0805	lbs.	1/31	50-85		

Margin Protection	Basic Provisions	Crop Provisions	LP/PP	Replant FT1	Unit of Measure	Unit(s): Basic (B) Optional (O) FT1 Enterprise (E) FT1 Whole-Farm (W) FT3	High-Risk Land Ex. Opt. FT4
Corn FT18, FT19	25-MP	20-MP-041			$/bu.	1. MP without a base policy. All the planted acreage in the county by share, type, and practice 2. For MP with a base policy will use the unit structure of the base policy, but will not allow whole-farm units.	
Rice FT19	25-MP	20-MP-018			$/lbs.	1. MP without a base policy. All the planted acreage in the county by share, type, and practice 2. For MP with a base policy will use the unit structure of the base policy, but will not allow whole-farm units.	
Soybeans FT18	25-MP	20-MP-081			$/lbs.	1. MP without a base policy. All the planted acreage in the county by share, type, and practice 2. For MP with a base policy will use the unit structure of the base policy, but will not allow whole-farm units.	
Wheat FT19	25-MP	24-MP-011			$/bu.	1. MP without a base policy. All the planted acreage in the county by share, type, and practice 2. For MP with a base policy will use the unit structure of the base policy, but will not allow whole-farm units.	

Endorsements & Options	Endorsement Number	Basic Provisions	Crop Provisions	Crop	LP/PP	Unit of Measure	Unit(s): Basic (B) Optional (O) Enterprise (E) Whole-Farm (W) County (C)	High-Risk Land Ex. Option FT4
Apple Tree Fire Blight Endorsement (Pilot)	21-APT-B	26-BR	21-APT	Apple		$/tree	B/O FT12/E FT12	
Apple Tree Value Endorsement (Pilot)	21-APT-A	26-BR	21-APT	Apple		$/tree	B/O FT12/E FT12	
Barley or Wheat WCE	04-011a	26-BR, 27.1-BR	25-0011	Barley, Wheat	LP/PP	bu.	B/O FT12	Yes
CAT Endorsement	27-CAT	FT16	FT16					No
Crop and Livestock Income Protection (CLIP)	26-CLIP	26-BR		As Authorized by AD				Yes
Cottonseed (pilot)	12-0021a	26-BR	17-0021, 17-0022	Cotton or ELS Cotton	LP/PP	lbs.	B/O/E	Yes
Downed Rice Endorsement	25-DR-0018a	26-BR	20-0018	Rice	LP/PP	lbs.	B/O FT7/E FT13/W FT13	Yes
Dry Bean Revenue Endorsement	27-0047a	26-BR	25-0047	Dry beans	LP/PP		B/O	Yes

Endorsements & Options	Endorsement Number	Basic Provisions	Crop Provisions	Crop	LP/PP	Unit of Measure	Unit(s): Basic (B) Optional (O) Enterprise (E) Whole-Farm (W) County (C)	High-Risk Land Ex. Option[FT 4]
Dry Pea Revenue Endorsement	26-0067a	26-BR, 27.1-BR	25-0067	Dry Peas	LP/PP		B/O	Yes
Enhanced Coverage Option Endorsement (ECO)	27-ECO	25-BR, 26-BR, 27.1-BR		As Authorized by AD				
Fire Insurance Protection – Smoke Index Endorsement (FIP-SI)	26-FIP-SI	25-BR	10-0053					
Florida Fruit Tree Insurance CTV Endorsement	18-0014a	26-BR	21-0014	Orange, Avocado, Grapefruit, All Other Citrus			B/O by County	Yes
Hawaii Tropical Tree Crop Insurance CTV Endorsement	19-0265a	25-BR	19-0265	Coffee, Papaya			B/O[FT7, FT10]	Yes
Hurricane Insurance Protection-Wind Index Endorsement (HIP-WI) (Pilot)	27-HIP-WI	[FT20]	[FT20]					
Hybrid Seed Price (Pilot)	02-HSPE	26-BR	17-062, 17-050	Hybrid Seed Corn	LP/PP	bu.	B/O	No
Macadamia Tree CTV Endorsement (Pilot)	19-MT-A	25-BR	19-MT	Macadamia		$/tree	B/O[FT12]	
Malting Barley Endorsement[FT18]	23-0091b	26-BR, 27.1-BR	25-0011	Barley	LP/PP	bu.	B/O	Yes
Margin Coverage Option Endorsement (MCO)	27-MCO	26-BR, 27.1-BR		As Authorized by AD				
Multi-County Enterprise Unit Endorsement (MCEU)	21-MCEU	26-BR, 27.1-BR		Coarse Grains, Small Grains, Canola, Cotton, Peanuts, Rice, Sunflowers				
Northern Potato Certified Seed Endorsement	22-084C	26-BR	25-0184	N. Potatoes	LP/PP	cwt.	B/O	Yes
Northern Potato Processing Quality Endorsement	22-084B	26-BR	25-0184	N. Potatoes	LP/PP	cwt.	B/O	Yes

Endorsements & Options	Endorsement Number	Basic Provisions	Crop Provisions	Crop	LP/PP	Unit of Measure	Unit(s): Basic (B) Optional (O) Enterprise (E) Whole-Farm (W) County (C)	High-Risk Land Ex. Option[FT 4]
Northern Potato Quality Endorsement	22-084A	26-BR	25-0184	N. Potatoes	LP/PP	cwt.	B/O	Yes
Northern Potato Storage Coverage Endorsement	22-084D	26-BR	25-0184	N. Potatoes	LP	cwt.	B/O	Yes
Onion Stage Removal Option (Pilot)	00-013A	26-BR	23-0013	Onions	LP/PP	cwt.	B/O[FT9]	Yes
***								
Peak Endorsement (Pilot)	27-PEAK	26-BR, 27-BR	26-1010	Nursery			B[FT12]	
Peanuts - CEPP	21-CEPP-PT	26-BR	20-PT-075	Peanuts	LP/PP	lbs.	B/O/E	Yes
Pecan Tree CTV Endorsement (Pilot)	23-PCT-A	26-BR	23-PCT	Pecans		$/tree	B/O[FT12]/E[FT12]	
Quarantine Endorsement (Pilot)	11-QE	26-BR	26-0019, 26-0126, 26-0227	CA APH Avocados, AZ-CA Citrus, ARH Citrus Pilot			B/O	
Silage Sorghum	26-0059	26-BR	25-0041	Silage Sorghum	LP/PP	ton	B/O/W	Yes
Sprinkler Irrigated Rice Endorsement	16-SIR-0018b	26-BR	20-0018	Rice		lbs.	B/O[FT7]/E[FT13]/W[FT13]	Yes
Stacked Income Protection Program Cottonseed Endorsement	23-STAX-0021a	26-BR	23-STAX-0021	Cotton		lbs.		
Sugarcane Crop Insurance Crop Replacement Endorsement	21-0038a	27-BR	21-0038	Sugarcane		lbs.	B/O	Yes
Supplemental Coverage Option (SCO)	27-SCO	25-BR, 26-BR, 27.1-BR		As Authorized by AD				Yes
Sweet Potato Crop Insurance Storage Coverage Endorsement	21-0156a	26-BR	24-0156	Sweet Potatoes		cwt.	B/O/E	No
Texas Citrus Tree Crop Insurance Coverage Enhancement Option (Pilot)	27-TCT-B	27.1-BR	20-TCT	Grapefruit, Lemon, Lime, Orange, Tangerine			B/O	Yes
Texas Citrus Tree Crop Insurance CTV Endorsement (Pilot)	16-TCT-A	27.1-BR	20-TCT	Grapefruit, Lemon, Lime, Orange, Tangerine			B/O	Yes

Footnotes for Exhibit 8 - Crop Policy Information.

(1) Applies to additional coverage only.

(2) Also available as YP, RP, RPHPE.

(3) WU(s) are only available for additional coverage policies as allowed by the AD.

(4) Requires insured's signature, refer to AD.

(5) See Malting Barley Endorsement on the Endorsements & Options Table in this Exh.

(6) OU by section, section equivalent, or FSA farm number and by IRR and NIRR practices are not applicable.

(7) OU by IRR and NIRR practices are not applicable.

(8) OU may be established only if each OU is located on non-contiguous land.

(9) OU may be established by type when provided for in the SP.

(10) OU may be established if each OU is located on non-contiguous land or by type as specified in the SP.

(11) OU by Contract Type.

(12) Refer to CP for allowance/limitation.

(13) Refer to SP for allowance/limitation.

(14) Replanting is not available for Rye.

(15) Not available for fall planted types with only fall FPD.

(16) Endorsement attaches to specific crop policies or endorsements when CAT coverage is selected by insured.

(17) Crops which require a contract for insurability.

(18) Crops which require a contract for specific types for insurability.

(19) Crops with contract pricing availability offered under the CPA. It applies to certified organic and transitional-to-organic practices only.

(20) Endorsement attaches to specific crop policies with their underlying basic provisions, and endorsements, not available with OLO or CTV endorsements, see endorsement language.

(21) Refer to AD for designation.

(22) OU may be established if each OU is by organic farming practice or located on non-contiguous land.

A. Acres

This information applies to the following forms: Production Report; APH Database; AR; and all Loss Forms.

(1) See SRA Appendix III for line/record rounding rules.

(c) "Round to (1.00)": Indicates rounding to whole numbers in a 2-position decimal field.

(d) "Round to (0.10)": Indicates rounding to tenths in a 2-position decimal field.

(e) "Round to (0.01)": Indicates rounding to hundredths in a 2-position decimal field.

(f) "Round to (0.001)": Indicates rounding to thousandths in a 3-position decimal field.

(2) Tobacco Round to (0.01).

(3) Other Crops Round to (0.10).

Note: To facilitate ACRSI, RMA's systems will allow acreage to be reported, and rounded, to hundredths (0.01). Agents should adhere to the field size elected by their AIP for shares and acres and round accordingly to field size provided.

B. Insured Share

This information applies to the following forms: Acreage Report Notice, Loss Payment, all Loss Forms.

Round To: 0.001 for all crops.

Note: To facilitate ACRSI, RMA's systems will allow shares to be reported, and rounded, to the ten-thousandths (0.0001). Agents should adhere to the field size elected by their AIP for shares and acres and round accordingly to field size provided.

C. Unit of Measure

Rounding rules for other items per unit of measure.

	Form	Bushels, Boxes, Cartons, Lugs, Hundredweight (cwt.)	Tons	Barrels	Dollars, Pounds
APH Yields (Per Acre)	Production Report, APH Database, AR	1.00	0.10	0.10	1.00
Total Production	Production Report, APH Database	1.00	0.10	0.10	1.00
PTC	All Loss Forms	0.10	0.10	0.10	1.00

D. Loss Calculations

(1) For all other loss calculations (appraisals, cubic feet, moisture percentage, FM or dockage, TW, etc.) see the LAM or individual crop Loss Adjustment Standards.

(2) For all Raisin rounding rules, see the Raisin LASH for Raisin rounding rules.

E. Other

If no other rounding rules are found in RMA procedures, then rounding in calculations will be completed at the end of the calculation as required by the RMA system procedures for the applicable field.

Exhibit 10 Premium Adjustment Table

The following table shows the percentage adjustments for favorable continuous insurance experience. The percentage adjustment factor for the current CY is based on the loss ratio through the previous CY (rows) and the number of years of continuous experience through the previous CY (columns).

(1) For premium adjustment purposes, only the years during which premiums were earned will be considered.

(2) Loss Ratio means the ratio of indemnity(ies) paid to base premium(s) earned.

Number of years of continuous experience through previous year	**0**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15+**
Loss Ratio through previous CY																
.00 – .20	100	95	95	90	90	85	80	75	70	70	65	65	60	60	55	50
.21 – .40	100	100	95	95	90	90	90	85	80	80	75	75	70	70	65	60
.41 – .60	100	100	95	95	95	95	95	90	90	90	85	85	80	80	75	70
.61 – .80	100	100	95	95	95	95	95	95	90	90	90	90	85	85	85	80
.81+	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100